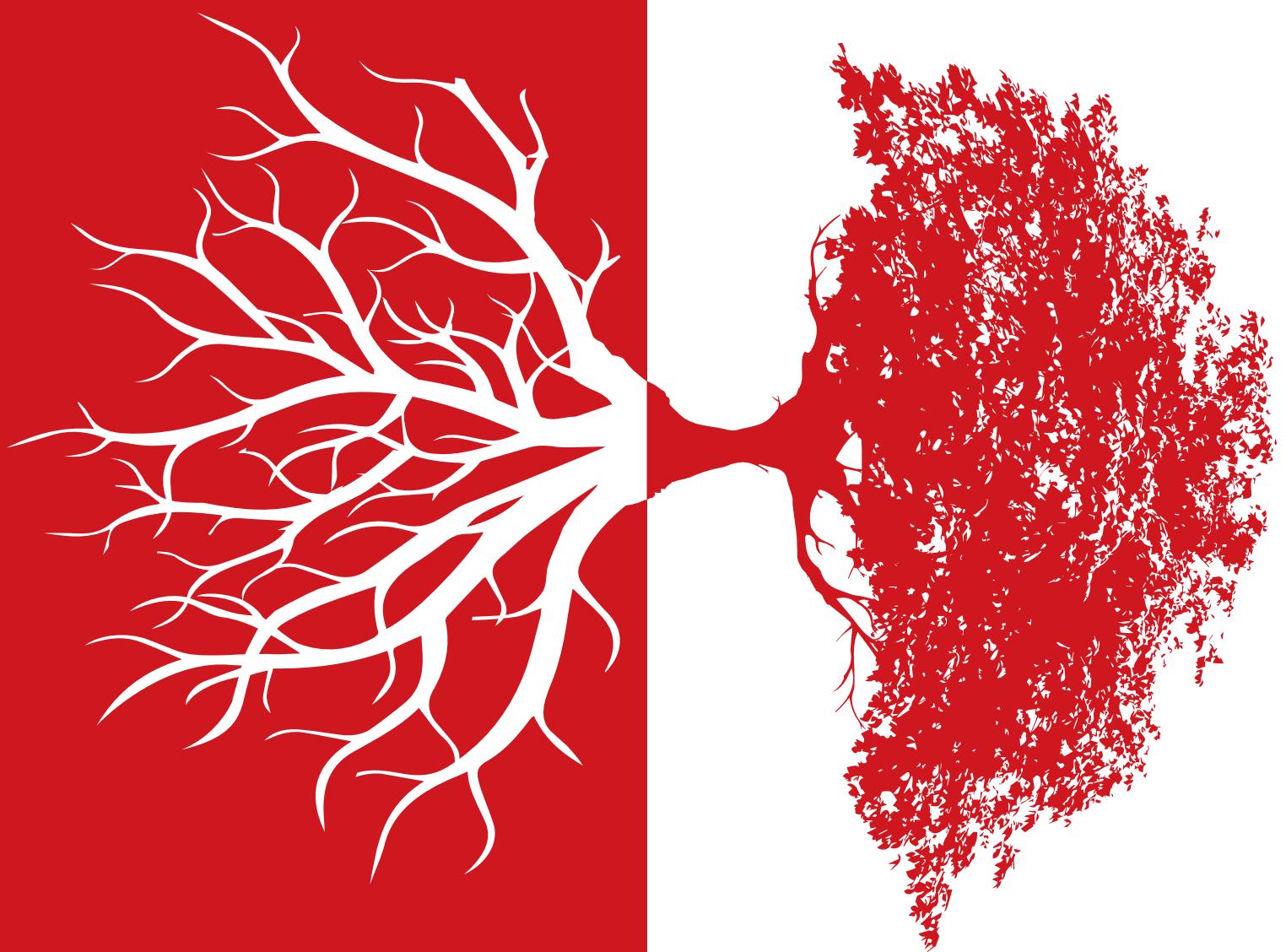


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Annual Report 2020



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VISION

To become the Leading Digital First-Content and Commerce Company

MISSION

To Enrich Lives by Informing, Entertaining, and Engaging Across All Media

About This Report

Media Prima has a long history of creating content and beloved brand names that Malaysians identify and grew up with.

We are home to Malaysia's oldest newspaper, most watched television stations and local news programmes, largest out-of-home advertising network, multiple radio stations and popular brands across print, television and digital platforms. We own one of the most popular home shopping networks in the country. On the community front, our public-funded humanitarian fund, launched in 1991, continues to assist Malaysians and communities abroad in need of support.

As the nation's largest and leading integrated media group we owe it to our stakeholders to be transparent and accountable in every step of our business, especially in the communication of our operations, strategies, and the measures we have undertaken to create value for all.

At the end of each financial year, we produce the Media Prima Annual Report and Sustainability Report which elaborate on our overall business strategy, our targets, and how we achieved them. Our Group Chairman's Statement provides an overview of our performance for the year while our Group Managing Director's Statement discusses the overall progress of our strategic growth plans as well as moving forward the direction of the future.

This report is dedicated to all of our stakeholders, especially to our team — you are the beating heart of Media Prima. It is your dedication and passion that continues to contribute to our success. Terima kasih!

Our Reporting Suites

Our reports provide a comprehensive review of our financial position and performance.



Annual Report

This report provides a review of our strategy, as well as financial and non-financial milestones. It has been prepared in accordance with the Main Market Listing Requirements by Bursa Malaysia, Malaysian Code on Corporate Governance 2017, Companies Act 2016, Malaysian Financial Reporting Standards and International Financial Reporting Standards. Our financial statements are independently audited by PricewaterhouseCoopers PLT.

Sustainability Report

In this report, we present Media Prima's commitment to sustainable work and transparent reporting through an overview of our approach and performance in key sustainability areas. This report is guided by globally recognised sustainability frameworks including Global Reporting Initiative (GRI) Sustainability Standards, Bursa Malaysia's Sustainability Reporting Guide, FTSE4Good Bursa Malaysia Index and International Organization for Standardization 2600:2010 Guidance on Social Responsibility.



The full Annual Report and Sustainability Report can be viewed and downloaded online at www.mediaprimary.com.my. We welcome you to get in touch with us on any aspect of our report. Please contact us at communications@mediaprimary.com.my.

Corporate Structure



Corporate Profile



Media Prima Omnia offers creative services and integrated marketing solutions across all Media Prima platforms, specializing in brand campaigns, events and creative content.

The 'Omnia Solution' provides clients with the opportunity to market their brands across Media Prima's broad range of media assets, which include Media Prima TV Networks (free-to-air TV stations), RIPPLE (radio, digital and e-commerce), The New Straits Times Press (print and digital media), Big Tree (out-of-home), REV Media Group (digital media) and Primeworks Studios (content creation and production).

With just one brief, the Omnia Solution enables clients to enjoy efficiencies in pricing – ensuring better Return-on-Investment.

Omnia's services currently address 98% of Malaysian households, and 24 million audiences across all ages and walks of life in the country daily.

**MEDIA
PRIMA
OMNIA**



Media Prima owns and operates four free-to-air television stations. They include TV3, Malaysia's premier station by audience share; TV9, the lifestyle channel best known and hugely popular for its home-shopping programme, WOWSHOP; ntv7, the popular station for Malaysian urbanites; and 8TV, the leading channel for the Chinese audience.

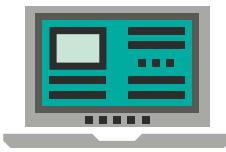
In 2016, the Group ventured into commerce with WOWSHOP, an innovative home shopping network that is accessible across television, online and mobile platforms, bringing Malaysians a uniquely visual, interactive and immersive experience. WOWSHOP provides high quality products and services aimed at enriching people's lives. As "The Foremost Customer-oriented Content Commerce Platform in Malaysia", WOWSHOP enables people to shop at their own comfort, whether it is at home or anytime, anywhere.



Media Prima owns more than 98% equity interest in The New Straits Times Press (Malaysia) Berhad ("NSTP"), which owns three of Malaysia's most recognised print and online news brands — New Straits Times, BH ("Berita Harian") and Harian Metro, as well as their respective weekend editions. In 2020, Print Towers Sdn Bhd, formed out of NSTP's Production and Distribution unit, began to operate as a profitable standalone commercial entity.

**MEDIA
PRIMA
TELEVISION
NETWORKS**

**THE NEW STRAITS
TIMES PRESS
(MALAYSIA)
BERHAD**



REV Media Group (formerly known as REV Asia Holdings Sdn Bhd), a subsidiary of Media Prima Digital Sdn Bhd, is the leading digital publisher in Malaysia, representing over 40 top authority brands with an extensive distribution network that reaches out to more than 15 million people each month, about 75% of Malaysia's internet population.

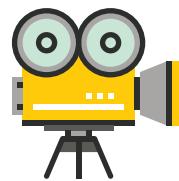
At REV Media Group, we believe in harnessing the power of data and technology to deliver engaging content that matters the most to our audience across multiple languages and platforms comprising News, Entertainment, Lifestyle, Technology and more.

Leveraging on our comprehensive platform and reach, we strive to elevate brands to greater heights through influential, data-driven digital marketing solutions and exceptional content aimed at winning the hearts of consumers.

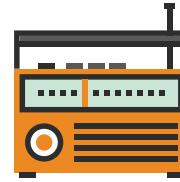
REV MEDIA GROUP



Big Tree is the market leader of Malaysia's out-of-home ("OOH") advertising industry along with Kurnia, UPD, TRC, Gotcha, and BTSJ. Big Tree offers integrated OOH advertising solutions across multiple concessions in cities, expressways, transit network and retail hubs. This includes static and digital media formats, together with online and on-ground experiential strategies. The business of Big Tree incorporates creativity and innovation in beautifying cityscapes and public amenities to enhance livability, upgrade the eminence of localities and engage with target audiences for advertisers.



Primeworks Studios is an established South-East Asian production company involved in the creative content business in every aspect of the media chain in TV and film production, content sales, film distribution and marketing, animation, branded content, as well as licensing and merchandising. It is an award-winning content company producing over 3,000 hours of compelling content annually for a range of platforms including television, cinema, and digital. The production house is the creative force behind a wide range of content genres including entertainment, animation, magazine, documentary, sports and drama.



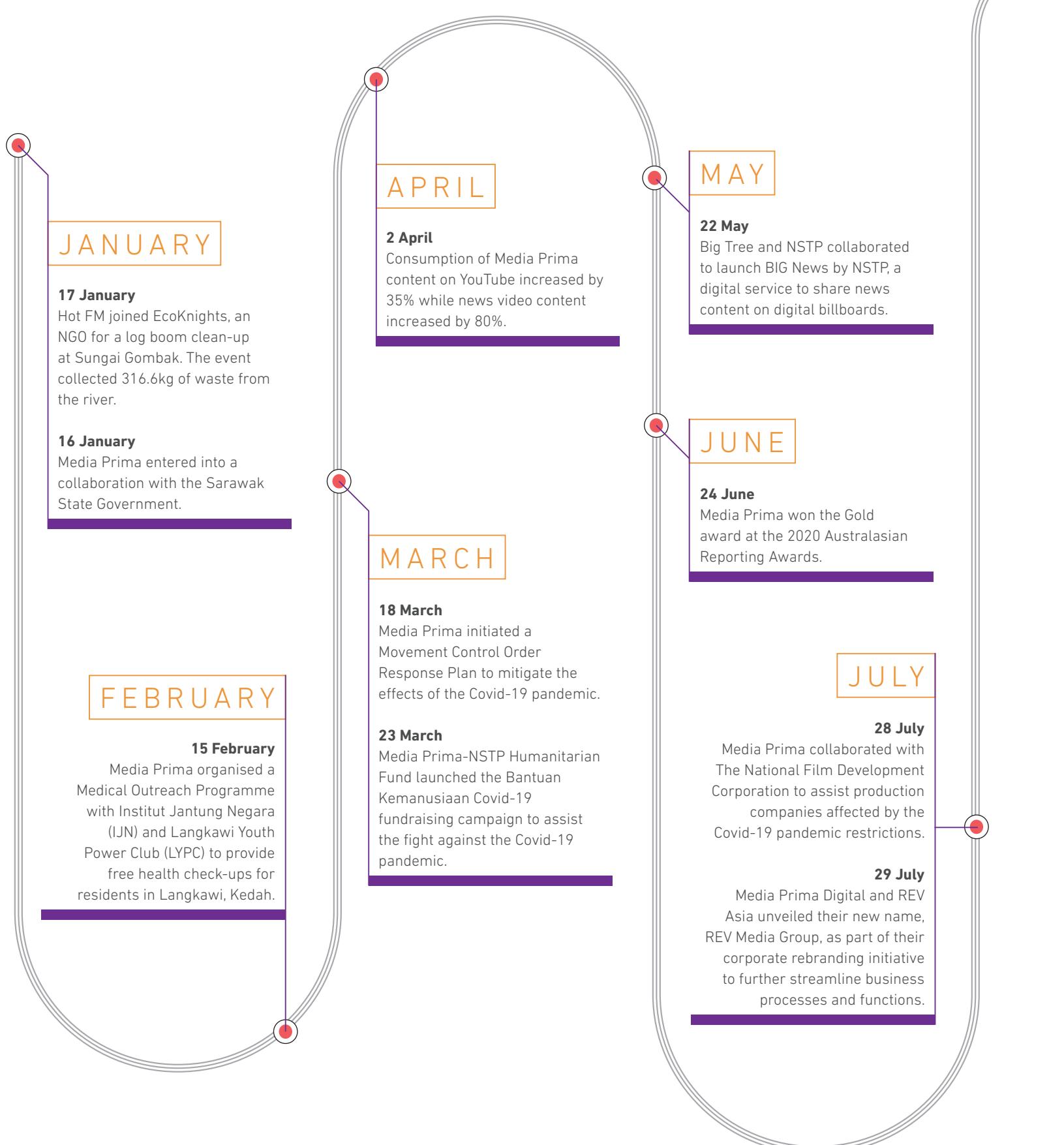
RIPPLE is an audience-focused radio brand offering solutions through multiple touch-points of radio such as digital, influencers and experiences. RIPPLE is represented through four broadcast brands – Fly FM, Hot FM, One FM and Kool FM, as well as a podcast platform, Ais Kacang. RIPPLE has garnered more than 12 million digital followers as well as over 95 million digital listens and 1.23 billion video views through its brands. RIPPLE utilises its collective data to deliver first-rate solutions and content to brands and audiences respectively.

PRIMEWORKS STUDIOS

RIPPLE

BIG TREE

2020 Corporate Highlights



AUGUST

7 August

Launch of KLIK, Malaysia's oldest and most comprehensive newspaper online archive.

14 August

REV Media Group and Universiti Teknologi Mara collaborated to strengthen the local esports industry.

15 August

Media Prima participated in YouTube's Superstream to stream TV3 dramas and comedies during Merdeka and Malaysia Day week, as part of YouTube's campaign to get people to celebrate the new norm by staying safe and entertained at home.

19 August

Media Prima and Jabatan Hal Ehwal Veteran ATM launched Tabung Pahlawan to raise funds for veterans.

29 August

Karnival Jom Heboh di Rumah was held virtually for Malaysians to enjoy at the comfort and safety of their homes.

NOVEMBER

3 November

Ejen Ali the Movie premiered on Netflix.

13 November

Anugerah Bintang Popular Berita Harian was hosted virtually and clinched over 6 million viewers.

16 November

Big Tree launched Ilustrasi Haiwan Malaysia Campaign to enlighten and educate audiences on the uniqueness of Malaysia's animal kingdom in a creative and engaging way.

OCTOBER

30 October

Media Prima's home shopping business is now known as WOWSHOP.

SEPTEMBER

1 September

Media Prima acquired the remaining stake in its home shopping business, which has been instrumental in generating non-advertising revenue for the Group.

DECEMBER

7 December

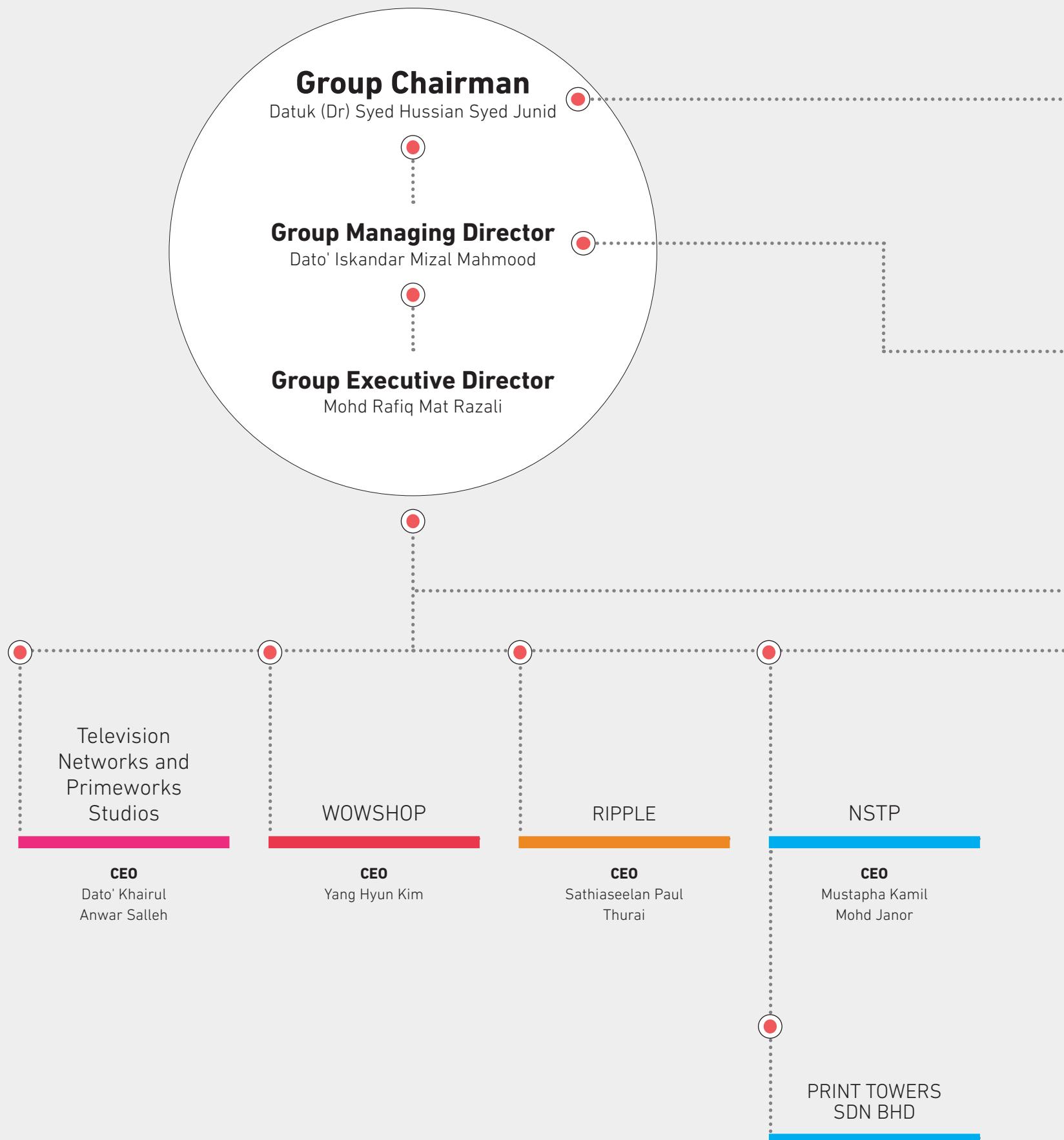
Ejen Ali animated series premiered on Tencent Video China.

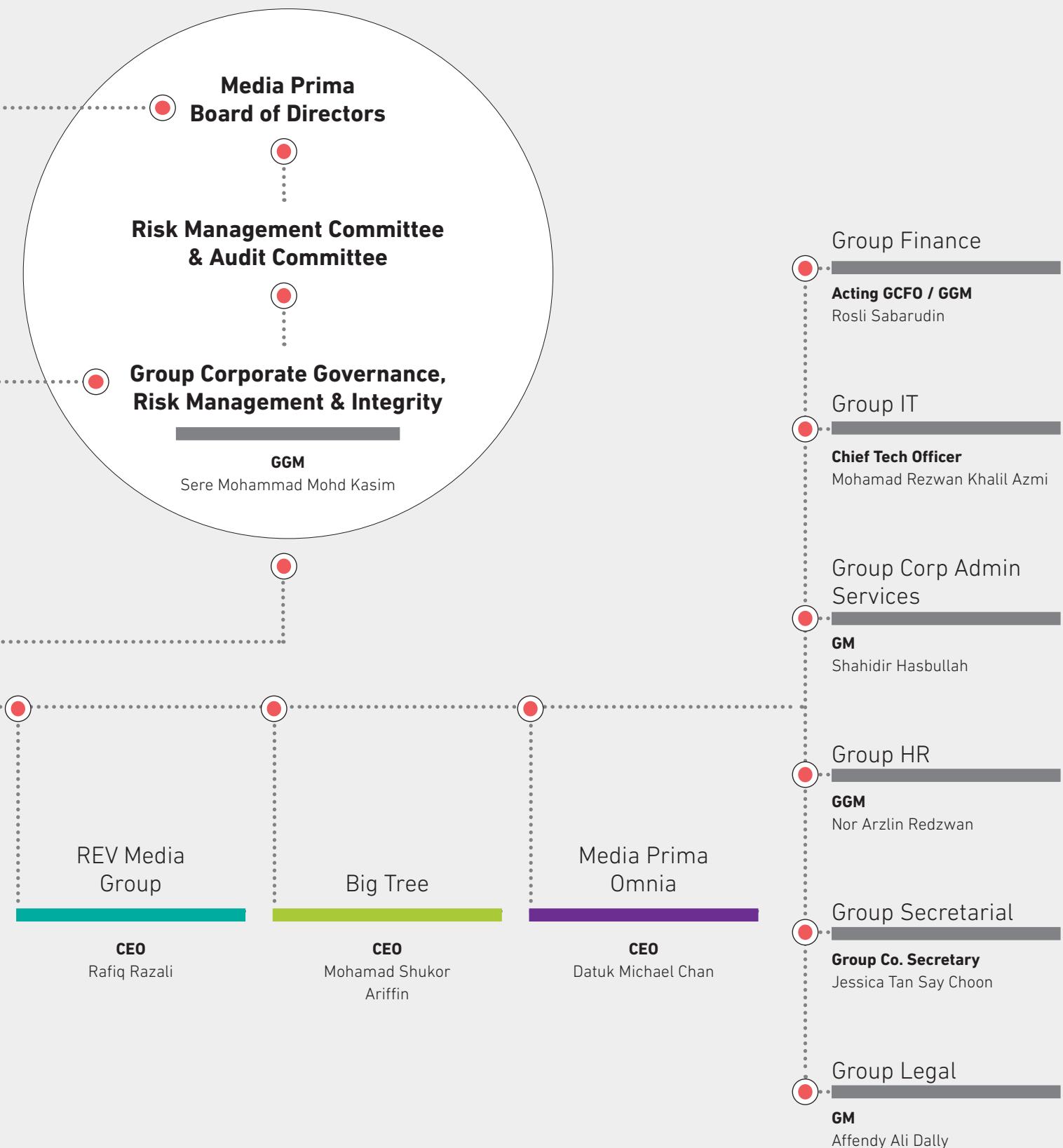
25 December

Launch of "Ejen Ali Misi: Juang" short movie, produced by Primeworks and WAU Animation to honour the efforts and sacrifices made by the frontliners in the battle against Covid-19, featuring Tan Sri Dr. Noor Hisham Abdullah, Director General of Health as one of the characters.



Organisation Structure





Message from Our Group Chairman



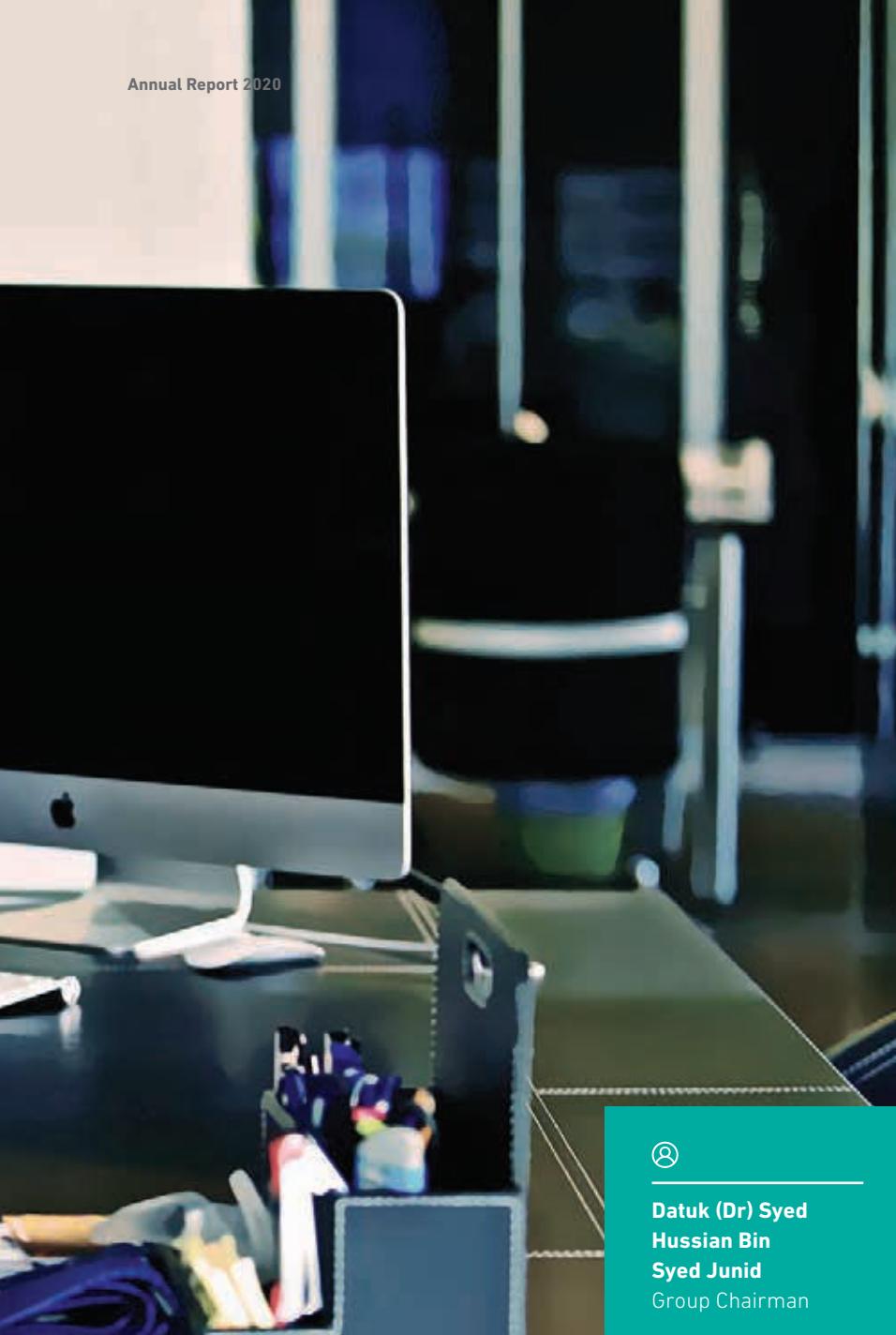
Dear Shareholders,

On behalf of the Board of Directors (the "Board"), it gives me great pleasure to present Media Prima Berhad's ("Media Prima" or the "Group") Annual Report 2020 and audited consolidated financial statements for the financial year ended 31 December 2020 ("FY20").

believe very few people could have ever imagined events of the last 12 months happening in our lifetime. The world has faced serious health crises before, from the outbreak of SARS to Ebola, and mankind took it in stride and worked together to overcome the adversities.

When news about the deadly virus affecting thousands spread to the rest of the world, most countries realised quickly that this was no ordinary crisis but many were helpless to prevent its spread.

As any other media company would, we took on the responsibility to keep people well informed of the pandemic. Significant broadcast time, print and digital space were utilised to spread awareness on the dos and don'ts during a global pandemic. Similarly, we also utilised our media platforms to encourage the public's appreciation for our frontliners, the men and women who worked tirelessly around the clock to keep us safe.



**Datuk (Dr) Syed
Hussian Bin
Syed Junid**
Group Chairman

When the government implemented a series of nationwide lockdowns to curb and flatten the pandemic's curve, we knew it was also our role to keep Malaysians occupied through entertainment and factual award-winning content on our media platforms. Working well within the safety standard operating procedures ("SOPs"), operations continued as it normally would. We recognised too the importance of helping the stakeholders in our ecosystem, many of whom are struggling from the economic impacts of this pandemic and the necessary restrictions imposed. We take great pride in the fact that we are able to play our part bringing awareness to the hardship faced by people to the forefront. It is also incumbent upon us to ensure that the voices of the business communities are

heard to ensure their immediate concerns receive the attention it deserves in key government policies, which ultimately affects the livelihood of Malaysians.

ECONOMIC CHALLENGES

Covid-19 has brought forth disruptive effects on all facets of society from shaking up the rules by which the global economy had previously functioned, to modifying our social interactions and foregoing face-to-face for engaging through the digital space. Consequently, countries have been struggling to keep pace with the economic disruptions wreaked by the pandemic. The International Monetary Fund ("IMF") estimates that the global economy shrunk by an estimated 4.4%

in 2020. In line with negative global growth projections, Bank Negara estimates the Malaysian economy contracted between 3.5% to 5.5% in 2020.

Even with the relaxation of the movement control order ("MCO"), consumers remain cautious due to the uncertainty surrounding the pandemic. According to Malaysian Institute of Economic Research's ("MIER") Consumer Sentiments Survey Report for the 3QFY20, Malaysia's Consumer Sentiments Index ("CSI") grew marginally at 91.5 points for 3QFY20 from 90.1 points in 2QFY20, below the 100-point optimism threshold level. On the flipside, according to MIER's Business Conditions Survey Report, the Business Conditions Index recovered 25.2 points at 86.3 points in 3QFY20 compared to the sharp drop by 22.0 points in 2QFY20.

The lockdown measures caused sharp downturns as consumer and business activity declined. For instance, Nielsen Malaysia found that traditional advertising expenditure ("adex") posted a drop of 9% in the first quarter of 2020.

THE EXPONENTIAL RISE OF THE DIGITAL AND E-COMMERCE

More people working from home has meant more people are now connected to the web. According to Google, Temasek and Bain, e-Economy SEA 2020, this year alone added 40 million new internet users to a total of around 400 million users in Southeast Asia, about 70% of the region's total population.

We Malaysians are spending more time online too. The average hours spent online for Malaysian internet users increased from 3.7 hours before lockdown to 4.7 hours during lockdown, and 4.2 hours post-lockdown. The report also found that 36% of Malaysian digital consumers are new to the service, having joined as a result of the pandemic. These figures are encouraging for Media Prima as we have successfully established a foothold in providing online services prior to the pandemic through online content and e-commerce.

Message from Our Group Chairman

Data from the e-Economy SEA 2020 report showed that Malaysia's internet economy grew by 6% to US\$11.4 billion (RM45.8 billion) gross merchandise value ("GMV") in 2020, from US\$10.7 billion (RM43.0 billion) in 2019. This figure is projected to grow to 21%, or US\$30 billion (RM120.6 billion), by 2025.

The report also found that e-Commerce in Malaysia saw a strong 87% year-on-year growth in 2020 from US\$3 billion in 2019 to US\$6 billion GMV (RM24 billion), and is projected to grow to US\$13 billion GMV (RM52.2 billion) by 2025. Similar to the regional average, e-Commerce takes up the largest share of Malaysia's internet economy.

Over-the-top ("OTT") streaming services subscriptions and viewership are on the rise. The e-Economy SEA 2020 report found that 39% of subscription video on demand users in Malaysia have joined in due to Covid-19. Data from an end-of-March 2020 study by the Malaysian Digital Association ("MDA") found that Media Prima's OTT streaming service, tonton, saw a massive jump of 232% in sequential traffic in the third week of March.

We understand that the pandemic has greatly increased our dependency on digital services. Moreover, Deloitte predicts the post-Covid-19 world as a digital one. Businesses post-pandemic will need to be able to effectively blend data, technology, and organisation to thrive in the new normal. Media Prima must focus on developing a comprehensive strategy on digitalisation to remain competitive during and after the pandemic.

DELIVERING GROWTH

We aim to strengthen our position as Malaysia's leading digital publisher. More digital services now permeate the lives of many Malaysians confined to a life primarily at home and more than ever, there is an increasing demand for a constant stream of high-quality news and entertainment content and commerce.



We rebranded our digital arm as REV Media Group ("REV Media") which covers over 40 top authority brands such as SAYS, NST Online, and BH online. The network also has a monthly reach of over 15 million users or around 75% of Malaysia's population. REV Media is well-poised to further cement its position as Malaysia's leading digital publisher, recording RM10.8 million in FY20 profit.

We have always recognised the huge growth potential of e-Commerce. Now that its growth is in full swing, we moved quickly to fully acquire the remaining stake in our home shopping which we rebranded into WOWSHOP. The segment boasts over 2.3 million customers, together with e-Commerce and mobile commerce platforms which contributed over 53% of its total sales in the nine months of 2020. WOWSHOP has also shown strong support for local brands such as Mugen, Riino, Elba, and more, which account for up to 70% of the products sold on the platform.

► **We aim to strengthen our position as Malaysia's leading digital publisher.**

Despite the challenges faced by the industry, our business transformation plan has helped soften the blow. We have revised our revenue models, streamlined businesses operations and functions, and reduced workplace inefficiencies. The rebranded WOWSHOP, backed by the Media Prima's mass reach and digital capabilities, saw stronger performance during the MCO posting a profit of RM10.2 million, supporting our decision to fully acquire the segment.

SUPPORTING OUR COMMUNITY

In light of the struggles faced by our country's healthcare system, we launched the Bantuan Kemanusiaan Covid-19 donations and fundraising campaign in March 2020. The fund, conducted via the Media Prima-NSTP Humanitarian Fund ("MPNHF"), raised RM1.9 million and helped the Government purchase the much needed medical equipment for public hospitals around Malaysia.

To support the government's efforts to combat fake news, we have used our platforms and wide reach to deliver timely, relevant, and accurate news to our audience. Data from Reuters Institute Digital News Report 2020 found that Media Prima's TV3 news programmes posted the highest weekly reach in the Television, Radio, and Print category in Malaysia. Moreover, our news

brands the New Straits Times, ntv7, and TV3 News were among the top 10 most trusted brands in Malaysia. a reputation we want to maintain and continually improve.

PROMOTING GOOD GOVERNANCE

Our Group remains strongly committed to Environmental, Social, and Governance ("ESG") practices. Media Prima received a 4-star grading or in the top 25% by ESG Ratings amongst publicly-listed companies in FTSE Bursa Malaysia EMAS (FBM EMAS) that have been assessed by FTSE Russell.

Testament to our commitment to transparent reporting, Media Prima received a Gold Award for its Annual Report at the Australasian Reporting Awards ("ARA") for our 2018 Annual Report titled "Innovating our Digital Future", indicative of our Group's strict adherence to transparent, accurate and accountable reporting standards.

MOVING FORWARD

The commercialisation of Covid-19 vaccines will provide some room for optimism in 2021. Even with large-scale vaccination

on the horizon, going forward, we expect the negative effects of pandemic to affect performance in 2021, particularly in our hard-hit industry.

Our Group expects our commerce and digital platforms to continue showing growth. After a weak showing this year, we believe ad spending will likely bounce back once vaccinations begin to roll out and restrictions are gradually lifted, provided there are no further disruptions in the foreseeable future. According to research house Magna Global, global advertising spending for 2021 is projected to recover by 7.6% or US\$612 billion (RM2.46 trillion) with the Asia-Pacific region expected to rebound by 11%.

TRIBUTE AND THANKS

I would like to extend my sincerest gratitude to all our Board members for their unfaltering support and wisdom they bring to the team, even in this grueling year.

On behalf of the Board and Management of Media Prima, I would like to extend my gratitude to Dato' Iskandar Mizal Mahmood as our Group Managing Director who has

been driving our transformation exercise since 2020. I would also like to welcome Rafiq Razali as Group Executive Director, Abdullah Abu Samah and Dato' Sivananthan Shanmugam to the Board of Directors, and Dato' Khairul Anwar Salleh as the Chief Executive Officer of Media Prima Television Networks and Primeworks Studios. The Board also wishes to thank Mohamad Abdullah and Hisham Zainal Mokhtar, who stepped down from their roles on 18 February 2021 and 1 April 2021 respectively.

Thank you to the senior management team of Media Prima. I wish to show my recognition to our industrious and passionate employees – thank you for your dedication during these tumultuous times.

To all Government ministries, agencies, and regulatory bodies that Media Prima have closely cooperated with throughout the year, I am grateful for your endless cooperation. Thank you to all our shareholders, clients, and business partners for your continued support.

Datuk (Dr) Syed Hussian Bin Syed Junid
Group Chairman



1.
[YAB Tan Sri Dato' Haji Muhyiddin Haji Mohd Yassin at the launch of KLIK - NSTP's latest news archiving portal and service offering. Malaysia's oldest and most comprehensive collection of images and news articles since 1845.](#)

2.
[Syarikat Faiza donated RM150,000 to Tabung Bersamamu.](#)



Message from Our Group Managing Director

Undoubtedly, the year 2020 tested all of us in a way that would have been unimaginable. It is no secret that we started 2020 in a rather precarious financial position. Of course we had a solid turnaround plan. However, we never had expected for the events that came crashing in upon us in Q1 2020 — Covid-19. I can honestly admit that we had no model for it at that time. We relentlessly ran numerous scenario planning models. All models concluded one clear result — uncertainty.

Just like everyone, we transitioned from a lifestyle we have known all our lives to a new normal, alien to all of us. We kept forging ahead notwithstanding. Living through this new normal has been humbling. And in humility we uncovered the little treasures in ourselves and in life. This new normal reminded us of many things we took for granted. One that came across brightly and quickly, and our navigating beacon was the importance of working together to get through uncertainty. Together, we had to quickly adapt to survive. We learnt to improvise and collaborate, truly realizing that cooperation is the key to not only survive but to excel. This was when we realised that the beacon had turned to become our compass — the compass we may have taken for granted for many years.

Once we found our true bearing, as a team, we became more confident. I often talk about the true integrated nature of our Group to clients and stakeholders. This was reiterated over and over again internally as well. It is an indisputable fact that only the Media Prima

group has the full armament of platforms that can reach the entire population of Malaysia, from the moment they wake up in the morning to the moment before they go to sleep at night. We then became more confident to truly believe we are the best at developing and producing content be it news, updates, as well as entertainment that are relevant to all Malaysians.

We set ourselves abound on a realistic and implementable transformation exercise. We revisited how we do things, not only to adapt to the new normal, but to transform Media Prima into the company that Malaysians deserve. Although we are still on our transformation journey, I believe we have emerged stronger.

Our strategy was broken down into a very simple plan that we all can relate to — focus on defending revenue (where there are clear opportunities to increase revenue capacity) and improving our workflow efficiency. This not only cushioned the negative impact on our businesses but also better positioned us to battle the disruptive changes in the media industry.

We consolidated all advertising functions for the Broadcasting, Publishing, Content Creation and Digital Media business segments under a new company — Media Prima Omnia ("Omnia"). Via Omnia, we adopted a more aggressive and holistic approach to deliver out-of-the-box integrated media solutions



**Dato' Iskandar Mizal
Bin Mahmood**
Group Managing
Director



for advertisers. This definitely is a fresh way of doing things, leveraging our combined strengths as Malaysia's largest and leading media company.

We also set out to solidify our market position in the digital space by consolidating all of the Group's digital assets under REV Media Group. REV Media reaches 15 million Malaysians a month and represents more than 40 top authority brands such as SAYS, OHBULANI!, Viralcham, and regional brands Mashable SEA and IGN SEA. Its News Network caters to over 11 million Malaysians a month with My Metro, BH Online and NST Online at the forefront in delivering trusted news to readers. REV Media recorded a profit after tax ("PAT") of RM10.8

million in FY20 from RM1.7 million a year ago. Full year revenue for this segment increased by 21% to RM90.1 million from RM74.4 million in FY19.

Although our home shopping segment had not been profitable since inception in 2016, we saw good potential in it. With a renewed 'fight a good fight' spirit, we decided to fully acquire this segment and rebranded it as WOWSHOP. WOWSHOP contributed 30% to the Group's FY20 revenue, an increase from a 21% revenue contribution in the previous year. It posted a FY20 net profit of RM10.2 million on the back of a 33% increase in revenue against the previous year. In 2020, WOWSHOP recorded 750,000 new customers which led

to 2.3 million total registered customers. Its e-commerce and mobile commerce platforms have grown to over 54% of its total sales in FY20.

Together, our four stations reached 36% of Malaysia's television audience in 2020. We maintained our dominant position in Malaysia through TV3 and 8TV. TV3 stayed as the undisputed number one television station in the country, commanding an audience share of 24.2%. 8TV reaffirmed itself as the number one Chinese station in Malaysia with 38.5% of the mass Chinese audience.

Message from Our Group Managing Director

Our teams have also proudly demonstrated how well we have adapted to the new normal. We successfully went virtual with two of our most popular events — Karnival Jom Heboh di Rumah and Anugerah Bintang Popular BH ("ABPBH") — all in the spirit of keeping Malaysians entertained while staying safe at home.

The 33rd edition of ABPBH, hosted without a live audience, garnered a 43% television audience share, and over 700,000 views on YouTube compared to 104,000 views for the previous edition. Similarly, we organised our popular on-ground nationwide event, Karnival Jom Heboh di Rumah, with no crowds and produced with strict adherence to safety protocols. The two-day event was sponsored by McDonald's McDelivery and aired on TV3, TV9 and online platforms. It featured games, shopping sessions with great deals, fashion and cooking segments while also entertaining viewers with performances by popular local celebrities.

As the nation's largest content provider, we have inked collaborations with streaming providers Viu, iQiyi and WeTV to meet the demand for quality content. This further expands our content into more international markets. We have previously entered into collaborations with popular international platforms such as iflix, Netflix, and Amazon Prime.

Primeworks Studios and WAU Animation teamed up again with Ejen Ali MISI: JUANG released in December 2020. The short film, dedicated to frontliners and their heroic efforts to combat Covid-19, garnered over a million views in less than 24 hours after its launch.

Despite the movement control order ("MCO"), we successfully ran advertiser content productions such as the Lazada 11.11 Super Show, the Group's third collaboration with the popular e-commerce business and one of the largest branded content initiatives in the country. We also collaborated with Telekom Malaysia to produce a special talk show, HeroKu, in conjunction with Labour Day 2020. This programme was dedicated to frontliners to show our heartfelt gratitude and appreciation for their sacrifices.

Nonetheless, the pandemic's effects on an already fragile media industry — particularly on advertising revenue — demanded us

to rethink the way we work. We focused to be leaner and more agile to navigate the challenges of the coming decade. We conducted a group-wide manpower rationalisation exercise in two phases.

In our efforts to defend The New Straits Times Press' business, we carved out its Production and Distribution units to operate as a standalone printer called Print Towers Sdn Bhd ("PTSB"), optimising all available capacity within the Group. We have more than six clients now — The Malaysian Reserve, Utusan Malaysia, Kosmo!, Selangor Kini, Selangor Journal, and Buletin Mutiara — in addition to our in-house titles.

To stay at the forefront of everyone's minds in the new normal, Big Tree adopted a direct marketing strategy and also introduced a series of investment options for advertisers. This resulted in soaring media occupancy, and enlisted clients new to not only Big Tree but the OOH platform.

Overall, we ended 2020 on a positive note. Our 4QFY20 results marked our second consecutive profitable quarter while full year losses were significantly reduced. Group FY20 revenue declined by 6% to RM1.04 billion against RM1.11 billion in the corresponding year. Losses were significantly reduced by 90% to RM18.1 million in FY20 from a loss of RM185.5 million in FY19, due to lower operating expenses achieved through our cost optimisation initiatives.

We believe these initiatives have best positioned ourselves for future growth, to deliver better services to our clients and the best content to our audiences.



You can read more about our FY2020 performance in our **Platform Review** from **pages 18 to 43**.



GIVING BACK

In 2020, we became a constituent company of the FTSE4Good Index Series, a benchmark for tradable indexes for ESG (Environment, Social and Governance) investors. This endorsement reflects our commitment to responsible businesses practices, good corporate governance, and care for the environment.

We believe our business is at its best when it serves as a force for good, especially in these unprecedented times. Our multiple platforms and mass reach enables us to empower Malaysians to change the world for the better.

The Media Prima-NSTP Humanitarian Fund has served several community causes since 1991, which is a mission that thrives because of the generosity of citizens who share our humanitarian vision. In 2020, RM5.0 million was collected in donations to the Media Prima-NSTP Humanitarian Fund, from which RM3.4 million was disbursed as of 31 December 2020.

Through this fund, we launched a fundraising campaign to assist the Government and hospitals in treating Covid-19 patients. Thanks to the generosity of our donors, we were able to raise RM1.9 million from which RM1.8 million were channeled to over 20 hospitals around Malaysia.

As Malaysians embraced the new normal, we designed programmes to keep the 'feel good' going such as TV3's daily Live Dari Rumah in March 2020 featuring our local artistes. We also participated in YouTube's Superstream to stream TV3 dramas and comedies during Merdeka and Malaysia Day week, as part of YouTube's campaign to get people to celebrate the new normal by staying safe and entertained at home. We hope to do more collaborations like these to deliver more great entertainment. Afterall, our goal at Media Prima has always been to provide the best viewing experience and deliver content that matters the most to our audience.

Not forgetting to do its part for the nation during the pandemic, WOWSHOP embarked on collaborations with the Ministry of Domestic



1.
Standard Chartered contributed RM150,000 to the Bantuan Kemanusiaan Covid-19 fundraising campaign.

2.
Thanks to GlaxoSmithKline Pharmaceutical and GlaxoSmithKline Consumer Healthcare, RM325,000 worth of PPEs were donated to 14 General Hospitals in Malaysia.



Trade and Consumer Affairs, to support local vendors and the economy. Over 1,500 local vendors were brought onboard to its online platforms through the DESAMALL initiative and in support of the BUY MALAYSIAN PRODUCTS campaign by the Government.

Similarly, RIPPLE's four radio stations organised the #SupportLokal campaign to support local businesses by promoting their products. A total of 264 entries were received for the campaign with 91 businesses promoted on-air and via the station's social media platforms. RIPPLE also heightened its public service awareness activities during the pandemic, raising awareness on environmental conservation, safety, health, crime and fake news to its 5.3 million weekly listeners.

To educate the public on Malaysian wildlife, our out-of-home business Big Tree launched the 'Illustrasi Haiwan Malaysia' campaign which displayed vibrant and colour images of animals unique to our nation on its billboards around the Petronas Twin Towers. The campaign also allowed public viewers to scan a QR code to learn more about the animals and understand the importance of environmental conservation.

We are committed to play our part in the national response to this pandemic and will continue helping many Malaysians overcome their difficulties through these difficult times.

We will continue to strive to always work toward being a responsible corporate citizen. You can find out more about how all our businesses played their role as a responsible corporate citizen in our Platform Review section.

LOOKING AHEAD

To my fellow colleagues, you are the heart of Media Prima. I want to express my deepest gratitude to our team who have stayed the course despite unprecedented challenges. You have fought on with true grit, courage, strength and resilience. Together, we can make Media Prima better than ever.

To our clients and all of our stakeholders, thank you for your support. On behalf of Media Prima, thank you from the bottom of our heart for your trust and confidence in us.

Our journey is far from over and we cannot be complacent. We are seeing an increasingly dynamic environment and we should always be evolving, growing with the times and therefore, continuously reinventing ourselves.

Dato' Iskandar Mizal Bin Mahmood

Group Managing Director

(Dato' Iskandar Mizal bin Mahmood resigned as Director effective 18 May 2021. The expiry of his contractual tenure as Group Managing Director of the Company is 30 September 2021)

Platform Review



Media Prima Omnia

Media Prima Omnia (“Omnia”) offers integrated marketing solutions and a complete suite of creative services across Media Prima’s entire range of media assets — specialising in brand campaigns, creative content, and activations that are derived from our understanding of Malaysian audiences.



[Omnia's 2020 Management Retreat at Langkawi, Kedah.](#)

Omnia delivers its 360-degree solutions for clients to reach out to 98% of households in Malaysia, against an audience of 24 million across all ages and walks of life.

Launched in the midst of the global Covid-19 pandemic on April 1st, 2020, Omnia embarked on a journey that leveraged our profound understanding of Malaysians, allowing our clients to interact better with consumers, driving sales and brand awareness.

The “**Omnia Solution**”, as we’ve termed it, means one team, one brief, one integrated solution with wide reach, specially tailored for clients with their intended target audience in mind, going beyond audiences as mere data points.

2020 also saw Omnia successfully delivering several significant solutions to clients such as Mydin, Lazada, Nestlé, and projects such as CNY Fiesta 2020, Heroku with Telekom Malaysia, Jom Heboh di Rumah in collaboration with McDonald’s Malaysia, Lagu Cinta Kita with Nivea and Samsung, and Laporan Khas Teknologi Huawei Smartlife.

DELIVERING CAMPAIGN SOLUTIONS

One of the key projects which clearly demonstrated Omnia’s ability to deliver integrated solutions was the multi-platform collaboration with Nestlé Malaysia for “Peraduan Nestlé Gaji Seumur Hidup” (Nestlé ‘Salary for Life’ contest) – the company’s biggest nationwide contest so far – which offered cash prizes worth over RM4 million and the

opportunity to receive a "salary for life" with just a RM15 purchase of the company's products in a single receipt.

This *solution* helped Nestlé connect with millions of Malaysians and brought relief to the lives of its winners as well as 17 charities.

Throughout the 15 weeks of the campaign, Media Prima's integrated media platforms reached an estimated combined 12.45 million consumers, which garnered over a million entries.

According to Nielsen Audience Measurement, the Grand Finale of the contest which was aired on TV3 reached out to over 1.9 million audiences, making it the number one show across all TV channels in terms of viewership and reach. Of the audience, 73% were from household incomes of RM2,000 and above, with 28% of the audience comprising housewives.

In the midst of the Covid-19 pandemic, Omnia also successfully delivered one of the most anticipated shopping events of the year: the return of the star-studded live telecast of e-commerce company Lazada's "11.11 Super Show".

This exclusive collaboration with TV3, the third since inception, outperformed the previous editions with over 5.5 million viewers.



Omnia delivers its 360-degree solutions for clients to reach out to

98%

of households in Malaysia, and an audience of

24 million

across all ages and walks of life.

REACHING CONSUMERS WITH BRANDED CONTENT

The second season of Lagu Cinta Kita ("LCK2") – Media Prima's homegrown reality TV show – was launched as Malaysians embraced the new normal and included singing as well as relationship advice, and discussions on the pandemic.

Sponsored by Nivea and Samsung, LCK2 reached an audience of more than 4 million, with a peak viewership of over 2.2 million. According to survey results, 45% of the viewers were aged between 20-49 years old, with students and working executives making up about 41% of the overall audience.

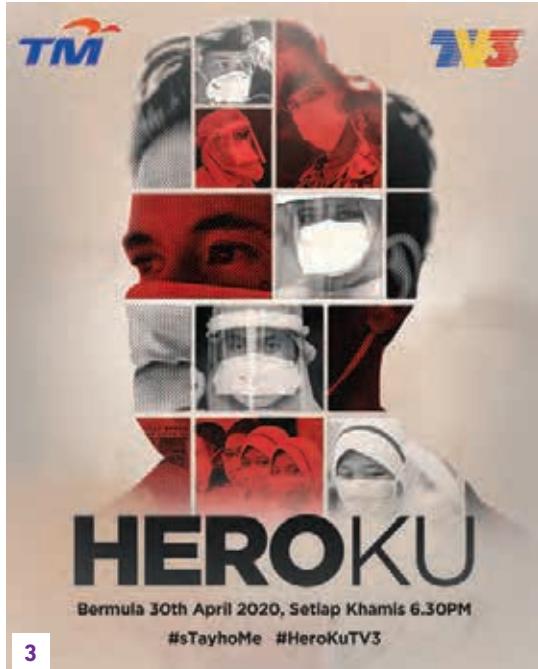


1.
One of the key projects which demonstrated Omnia's ability to deliver integrated solutions was the multi-platform collaboration with Nestle Malaysia for 'Peraduan Nestle Gaji Seumur Hidup'.

2.
Omnia successfully delivered Lazada's "11.11 Super Show" which outperformed the previous edition with over 5.5 million viewers.



Platform Review



3.
Telekom Malaysia's Heroku, a talk show dedicated to frontliners, reached 2.7 million viewers, 40% of which came from affluent households.

4.
The CNY Fiesta 2020 in January 2020 saw over 100,000 people to engage with the participating brands at Bukit Jalil National Stadium.

Huawei continued its partnership with Omnia to amplify the launch of the Huawei Smart Life via a "Laporan Khas Teknologi Huawei Smart Life" which garnered up to 3.1 million viewers.

Telekom Malaysia also tapped Omnia via a special collaboration called "HeroKu" – a four-episode talk show about the efforts and sacrifices of Malaysian frontliners and their families during the Covid-19 pandemic. HeroKu reached 2.7 million viewers, 40% which came from affluent households.

SIGNATURE EVENTS

The CNY Fiesta 2020 in January 2020 created a one-stop shopping and leisure opportunity for consumers to engage with the participating brands in conjunction with the Chinese New Year celebrations for a wide range of products under one roof.

Over 100,000 people visited the seven pavilions at the Bukit Jalil National Stadium which housed 205 indoor booths, 52 outdoor booths and 38 food stalls.

Awareness and exposure for this campaign exceeded expectations in social media, registering a reach of almost 1.5 million users with 1.9 impressions and over 300,000 engagements.

ADAPTING TO THE NEW NORMAL

Karnival Jom Heboh, one of Malaysia's most anticipated on-ground events, continued in 2020 despite the Covid-19 pandemic. Malaysians were still able to enjoy it "live", albeit virtually, in collaboration with McDonald's Malaysia, where we showcased the best products with the best entertainment experience.

Jom Heboh di Rumah became one of the largest online events in 2020 with record breaking participation that reached more than 710,000 audiences at its peak, with 46% of the live event viewers coming from affluent households.

Omnia also pioneered a product sampling opportunity for Ribena in 2020, riding on the 29th anniversary of Harian Metro to facilitate consumer engagement while increasing circulation. Over 100,000 bottles of Ribena were given away with every purchase of the popular tabloid.



Media Prima Television Networks

It was a challenging year for us at Media Prima Television Networks ("MPTN") — to curb the spread of Covid-19, we were forced to quickly adapt to the new normal which affected our productions. We persisted through our creative and innovative spirit, despite the movement control order and operating procedures. We continued to entertain and enlighten Malaysians with the best shows and the most credible news throughout 2020.



[7 Hari Mencintaiku 2, a family drama series, was the most talked-about drama in 2020 and garnered over 12 million viewers.](#)

► **We continued to entertain and enlighten Malaysians with the best shows and the most credible news throughout 2020.**

Our channels — TV3, ntv7, 8TV and TV9 — remained among the top choices for news and information, commanding a total of 35% of Malaysia's broadcast audience in 2020, led by TV3 which commands over 24% of audiences. Our programmes such as Malaysia Hari Ini ("MHI"), Wanita Hari Ini ("WHI"), Borak Kopitiam, Living Delight, especially Buletin Utama and 8TV Mandarin News delivered the latest updates on the impact of the pandemic on the nation through the "live telecast" of the press conferences from the National Security Council and the Ministry of Health. MPTN also provided Public

Service Announcements, crawlers, and infographics to keep the viewers updated.

During the 14-day Movement Control Order 1.0 (MCO 1.0), Buletin Utama garnered 3.44 million viewers and a 53% rise in viewership. 8TV's Midday Mandarin News and ntv7's Mandarin 7 also broke their earlier viewership records with 617,000 viewers and 564,000 viewers respectively. Beginning 8 June 2020, 8TV Mandarin News was extended to a one-hour programme, from 8pm to 9pm. It achieved a daily rating of over one million views during MCO 1.0 and reached 1.2 million views on 6 May 2020.

Platform Review

After 20 years, TV3's flagship business talk show, Money Matters, made a comeback on 4 July 2020. The new era of Money Matters started with key anchor Zahir Kelvin Ong, assisted by Azaria Tagaya and Tehmina Kaoosji, with the first guest, the Minister of Finance, YB Tengku Dato Sri Zafrul Tengku Abdul Aziz to discuss Malaysia's economic recovery challenges and solutions.

HOME TO BLOCKBUSTERS AND TOP-RATED DRAMAS

Our drama slots Akasia, Samarinda and Lestary attracted huge audiences, especially with *7 Hari Mencintaiku 2*, which touched the hearts of the 12 million viewers who watched the 33 episodes of the family drama series.

Gerak Khas was a game-changer for the industry, moving to a new home after a 21-year run on a different channel. The "last lap" of the *Gerak Khas The Finale*, which began airing on 4 December 2020, is now aired on TV3. Our other popular shows of 2020 include *Pink Smile*, *Bukan Gadis Biasa*, and the comedy series *Kampung People 2*, following the success of its first season.



During the 14-day Movement Control Order 1.0, *Buletin Utama* garnered

3.44 million

viewers and a 53% rise in viewership.

8TV's *Midday Mandarin News* and ntv7's *Mandarin 7* also broke their earlier viewership records with

617,000 viewers and
564,000 viewers
respectively.



The second season of our popular reality show, *Lagu Cinta Kita 2* ("LCK2"), was trending on Twitter throughout its eight episodes and garnered more than 3.8 million viewers in episode six. Azwan Ali made a comeback and hosted this programme together with Elly Mazlein and three permanent juries, Mas Idayu, Ajai and Hael Husaini. Khareez and Nadeera were announced as the winners for LCK2 and brought home the main prize of RM50,000, a mobile phone, and an opportunity to record a duet album and music video. Client integrations for this show included Celcom, Nivea Hokaido Roselien, Samsung and KFC.

TV3's latest entertainment show challenges new artists to give their own creative interpretations to evergreen classics. *Immortal Songs*, based on a South Korean entertainment programme, first aired on 30 August 2020. The seven episodes were co-hosted by Ain Edruse, Amy Mastura, Fad of Bocey together with the Chief Operating Officer of Farm Fresh which sponsored the programme.

Another popular reality show, *Vokal Mania*, was given a new concept, fresh treatment and more drama in 2020. It featured four professional singers (Aina Abdul, Indah Ruhaila, Lan Solo and Tomok) battling against 24 undiscovered singers (rookies) in each of the nine episodes. Aina Abdul



(Idol) and Aisha Retno (rookie) bagged the cash prize of RM50,000 and RM30,000, respectively, a Tomaz 'gaming' chair and a trophy. Vokal Mania was hosted by Datuk AC Mizal and Azira Shafinaz, with two permanent juries, Misha Omar and Yusry Abdul Halim. This exciting programme was sponsored by Mamee London Roll, Domino's Pizza and client integration included Power Root.

DELIVERING THE BEST ENTERTAINMENT EVENTS IN THE NEW NORMAL

Naim Daniel, the new singer and songwriter emerged victorious at the annual prestigious event, *Anugerah Juara Lagu 34* ("AJL34"), which was held at Axiata Arena, Bukit Jalil on 9 February 2020. Naim won the Best Song Of The Year award for *Sumpah*. The awards show became the nation's hot topic, garnering 6 million viewers on TV3 and capturing more than half of the Malay television viewers at 55%. The show also captured 442,000 live stream views in high-definition on tonton and Xtra, and nearly 1.5 million views on YouTube TV3Malaysia. AJL34 was co-hosted by Awal Ashaari, Haziq Hussni and Sherry Alhadad. Sponsored by McDonald's, Setel and Celcom.

Our popular award show, *Anugerah Bintang Popular Berita Harian 33* ("ABPBH33"), was held without an audience at the Axiata Arena in Bukit Jalil on 13 November 2020 and sponsored by Xiaomi. Despite the restrictions in the effort to curb the spread of Covid-19, ABPBH33 successfully gained 6 million viewers or 43% of viewership. Nielsen Malaysia's findings revealed that viewership for ABPBH33 increased by 200,000 viewers compared to last year's edition. It also received a boost on live-streaming platforms such as YouTube TV3 Malaysia. ABPBH33 received 700,000 views on YouTube compared to 104,000 views in the previous edition. The awards show's Most Popular Artiste, singer-actor Haqiem Rusly, also made history by receiving 22,332,676 votes, the highest number of votes in the history of ABPBH.

After 17 years entertaining audiences across various locations nationwide, Karnival Jom Heboh took a different direction to bring entertainment to audiences in the comfort and safety of their homes. For the first time ever, we organised Karnival Jom Heboh for online platforms over two

days in August 2020, together with McDelivery. Karnival Jom Heboh Di Rumah was aired on TV3 and TV9, and showcased various activities, games, shopping sessions with great deals, fashion and cooking segments while also entertaining viewers with performances by popular local celebrities such as Wany Hasrita, Hael Husaini, Naim Daniel, Haqiem Rusli, Nabila Razali, Nazim Othman, Amelia Henderson, Riena Diana, Dayang Nurfaizah and many more. This exciting virtual event was sponsored by McDonald's and Huawei,

MOVING FORWARD

At Media Prima Television Networks, we are committed to entertaining and enlightening Malaysians from all walks of life, across demographics with top-rated hits and with the most credible news and current affairs. Moving forward, we aim to become an established content production and distribution source in the Southeast Asian region for clients and direct consumers, producing and distributing a wide variety of hit content, both live-action and animation, for multiple platforms including streaming and other digital TV platforms, and linear broadcast and feature film studios.



1.
[Naim Daniel won Best Song of the Year award for his song, *Sumpah*, at Anugerah Juara Lagu 34.](#)

2.
[Awzan Ali made his triumphant return and hosted Lagu Cinta Kita 2 with Elly Mazlein.](#)

3.
[Fiza Sabjahan and Dayang Nurfaizah were among the celebrities involved in the virtual event, Karnival Jom Heboh Di Rumah Bersama McDelivery.](#)



Platform Review



WOWSHOP

WOWSHOP Sdn Bhd ("WOWSHOP") is an innovative home shopping network that is accessible across television, online and mobile platforms, bringing Malaysians a uniquely visual, interactive and immersive experience. Established in 2016, WOWSHOP provides high quality products and services aimed at enriching people's lives. WOWSHOP is a wholly-owned subsidiary of Media Prima.



Presenting the ALL NEW WOW logo with all WOWSHOP hosts that highlights the new WOWSHOP colours red, yellow, and white.

WOWSHOP reached over 2.3 million registered customers since its inception until end of 2020. In 2020, we produced over 1,661 live shows (more than 100 per month). The company places its main focus on content commerce, customer-centric products and multi-platform offerings with more than 10,000 items on sale on all platforms ranging from household products to electrical items, fashion, beauty, food and beverage, and digital.

WOWSHOP is built to be strong and agile, and is a brand that is intuitive to customer needs. We are always evolving to help customers move ahead in life, for a better present and a brighter

future. WOWSHOP's ultimate goal is to WOW our customers further and bring more joy to every Malaysian home with more innovative and exciting ways to shop.

BETTER AND STRONGER WITH A WHOLE NEW LOOK

In 2020, WOWSHOP embarked on a holistic four month rebranding campaign with Media Prima undertaken by its in-house marketing team, digital developers and content production team. The company changed its brand corporate identity, all the aesthetics of its platforms — television

► **WOWSHOP is built to be strong and agile, and is a brand that is intuitive to customer needs.**

and digital — as well as corporate and marketing collaterals. A revitalisation of all television content, redesign and upgrade of its e-commerce and mobile commerce platforms were undertaken to further enhance and improve the user journey. The process was completed in October resulting in an all new WOWSHOP.

The new logo has a smiley icon that reiterates WOWSHOP as every customers' best friend and personal shopper, someone they can trust and to provide all the best deals to "WOW YOUR LIFE". The logo's new and fresh vibe is also enhanced by using three bold colours along with a new jingle. WOWSHOP also moves to building a closer and more enhanced interaction with its customers with the introduction of its online avatar, SIS WOW, that appears on the company's digital platforms. WOWSHOP will now become a personal shopper for customers, providing them with product recommendations.

The rebranding also leverages its differentiating factor of having strong convincing show hosts who are portrayed as the consumers' personal shoppers. The company also aims to highlight its engaging demonstrations, and exclusive bundles.

STAYING RESILIENT AND EXCEEDING FINANCIAL EXPECTATIONS

In 2020, WOWSHOP's performance exceeded expectations and remained stable throughout the Covid-19 crisis as the company witnessed a shift in consumer spending habits since the Movement Control Order ("MCO") when sales rose significantly in 2020. The company contributed RM308,865,472 to the Group's revenue in 2020.

When the MCO came into effect, there was a rise in people adopting new hobbies and skills such as cooking, cleaning or organizing their home

and home-training for themselves. During this period, television returned as a centre of home entertainment.

Leveraging Media Prima's broadcast platform of over 35% total audience share, and aggressively expanding its digital platform offerings, WOWSHOP has successfully reached the mass market and in 2020 recorded a 33% increase in sales from the previous year with 46% comprising television sales and 54% comprising online sales. From over RM300 million in sales, there was a significant increase in the e-Commerce (Mobile App and Mobile Web) sales portion versus the TV Sales portion where e-commerce witnessed an overall increment of 28% from 2019.

As an essential service provider during the MCO we have also ensured to open our platform for all potential local vendors as well as closely collaborate with our loyal vendors. It's all about supporting the country's economy.

► 
WOWSHOP Chinese signature show on 8TV called Fun & Earn, which airs every weekend at 1pm.



Platform Review



The company contributed
RM308,865,472
to the Group's revenue
in 2020.



WOWSHOP collectively
garnered over
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new registered customers
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more than 40% increment
from the previous year.



In terms of customer base, WOWSHOP collectively garnered over 750,000 new registered customers to its database, which is a more than 40% increment from the previous year. With that, WOWSHOP achieved its 2 million registered customers mark in May 2020 and celebrated this milestone in July with the "WOW Together" campaign that rewarded customers with e-vouchers and cashback.

Due to the pandemic, Malaysians in general are now more aware and increasingly use television home shopping and online shopping platforms. To ease the customer experience further by providing more payment options, WOWSHOP introduced two new e-wallet partners besides BOOST in 2020. They are Touch 'n Go eWallet and GrabPay. In addition to that, special campaign collaborations with BOOST and Touch 'n Go eWallet helped to increase awareness of the WOWSHOP brand to more Malaysians. As a result of the pandemic, the company witnessed a shift in customer payment habits, with 35% of customers preferring to make prepaid payments (35% contribution) instead of the Cash-On-Delivery option.





1. [WOWSHOP's new Instagram account look and feel in conjunction of the rebranding campaign.](#)

2. [WOWSTERS during ALL NEW WOW Launch.](#)

3. [WOWSHOP's 2020 signature programme, Fikree's Kitchen, aired from July 2020 - October 2020, with special guests Dato' Chef Ismail and Chef Naem every Friday, 8.30am on TV9.](#)

Not forgetting to do its part for the nation during the pandemic, WOWSHOP embarked on collaborations with the Government on programmes to support local vendors and the economy. Through its collaboration with the Ministry of Rural Development, and the Ministry of Domestic Trade and Consumer Affairs, WOWSHOP has brought onboard over 1,500 local vendors to its online platforms through the DESAMALL initiative and in support of the BUY MALAYSIAN PRODUCTS campaign by the Government.

In terms of television viewership, TV3 and 8TV experienced more than 190% growth from 2019. Apart from that, WOWSHOP as a content commerce provider offered two new "shoppertainment" type content which are Fun and Earn on 8TV, and Fikree's Kitchen on TV9. Both content offered more than just the typical home shopping content, with closer interactions with viewers and simultaneous engagement through WOWSHOP's Social Media Facebook and Instagram accounts. The new content offerings also offer customers the benefit of receiving lifestyle tips and recipes to enhance their buying experience.

► **Moving into 2021, WOWSHOP aims to achieve 3 million registered customers.**

To recap an amazing year that has been full of challenges, WOWSHOP managed to maintain its operations with a limited operations workforce and a support team working from home. With challenges such as delivery and stock efficiency similarly faced by most businesses during this time, the company still achieved its profitability in 2020. This is truly a testament of teamwork, strength and resilience and the company's dedication in bringing the WOW factor to every Malaysian home.

WOWSHOP IN 2021

Moving into 2021, WOWSHOP aims to achieve 3 million registered customers, to offer an even wider variety of products that will bring more smiles and "WOW" to Malaysians. We aim to further increase our viewership and followers across our social media platforms by creating more WOW content and to be a more digital driven and profitable company.

WOWSHOP will continue to support its customers through various measures and initiatives that were started during the Covid-19 pandemic as it boldly moves ahead into 2021, especially by providing a wide range of relevant products at the best prices while establishing new business partnerships with both international and local brands. Our goal is to remain resilient through 2021 and beyond.

Platform Review



THE NEW STRAITS TIMES PRESS

As the leading print and digital media company in Malaysia with innovative products and comprehensive media solutions, The New Straits Times Press (Malaysia) Berhad's ("NSTP") main purpose is to provide the best content and product that is relevant, compelling and attractive to readers and business partners.



The NSTP group bagged a total of nine awards at the prestigious MPI-Petronas Malaysian Journalism Awards 2019, including making a clean sweep of two categories, namely Best Columnist and Excellence International Journalism.

2020 marked a significant milestone for NSTP as we adapted to the new business normal from the ongoing Covid-19 pandemic. All this while we maintained our same aggressive push in both the digital realm, as well as in print for our three newspaper titles — New Straits Times ("NST"), Berita Harian ("BH") and Harian Metro ("HM").

As with other industries, the newspaper and media industry was not spared from the Covid-19 impact, which had affected NSTP's advertising revenue. Leveraging Media Prima Berhad's ("MPB") group transformation strategy of being subsidiary-centric with a lean structure and a clear profit-

driven value-added focus, NSTP had made several organisational changes to achieve this aim.

In January 2020, NSTP had agreed to transfer the administrative as well as the digital sales functions of all its digital assets to REV Media Group ("RMG"), a 100% subsidiary of Media Prima.

January also saw the official commencement of operations for Print Towers Sdn Bhd ("PTSB"), a 100% subsidiary of NSTP. Formerly known as Berita Harian Publishing Sdn Bhd, PTSB is a full-fledged, stand-alone commercial newspaper printing and logistics business, that undertakes orders beyond Media Prima and Media Mulia Sdn Bhd.



For mobile, we continued to grow our reach with ongoing developments of our e-paper and mobile applications including

NST Mobile, HM Mobile and BH Mobile.

In April 2020, as part of the Group's strategy of having integrated marketing functions under a separate entity, NSTP's entire Advertising Sales department were transferred to Media Prima Omnia Sdn Bhd ("Omnia"), another subsidiary of MPB.

Three main targets were set — to become the undisputed leader for Malaysian news and content by focussing on our core business of content generation; to maximise the value of every NSTP product; and to continue playing our part as an active corporate citizen and contribute more towards nation-building.

For NSTP's three main publications, despite the movement restrictions and new SOPs, we continued to enhance our newspapers' DNA which are known as the 4Es: Exclusive, Examine, Educate and Entertain. For print, we strengthened their editorial offerings with new columnists and new exclusive stories every month, before following up with more current and related news for the online audience.

For mobile, we continued to grow our reach with ongoing developments of our e-paper and mobile applications including NST Mobile, HM Mobile and BH Mobile. In the social sphere, we rallied the public's support to help us contribute more towards nation-building, by leveraging the history and legacy behind NSTP as an institution that has produced some of the nation's greatest literary and journalism giants.



For NST, which celebrated its 175th anniversary on 15 July, a grand exhibition titled "Traversing 175" was held at Galeri Prima in August 2020, which saw the YAB Prime Minister graciously officiating the event with a hope for NST to "always be the foremost English-language newspaper and remains as the source of reference for everyone, not just in Malaysia but the whole world - when the world wants to know about Malaysia."

For BH, the professional, family-oriented Bahasa daily truly lived up to its tagline as the "Wadah Pembaharuan - Berimbang, Adil dan Tepat", with live forums and talk shows held to build trust with our young online audience and increase our online programming variety.



1.
[Prime Minister of Malaysia, YAB Tan Sri Muhyiddin Yassin launched the New Straits Times' 175th Anniversary Exhibition held at Galeri Prima, Balai Berita Bangsar.](#)



2.
[NSTP received a courtesy visit from Russia Ambassador to Malaysia, Nailyl Latypov \(right\) at Balai Berita Bangsar.](#)

Platform Review

3

[As a way to help the needy affected by Covid-19, the Titipan Kasih Khas Harian Metro Bersama Affin Islamic Bank Bhd programme paid a visit to a single father, Syed Abdullah Nik \(third, left\) in Sik, Kedah, who raised three children including two adopted children, one of whom is disabled.](#)

4

[The 33rd Anugerah Bintang Popular BH paid a special tribute to veteran singer-songwriter Francissca Peter with the Lifetime Achievement Award.](#)

The *Bicara BH*, for example, which is streamed live on Facebook, had several ministers and other distinguished panellists and industry representatives discussing various interesting and up-to-date topics that were more relatable to the younger audience.

With an invitation to be in someone else's shoes, the "*Rasai Berita Sebenar*" tagline aptly describes HM's overall content approach, with emotion-

evoking word-plays and more community-centric stories, which has been successful in getting the attention of the public and corporate sponsors. The funds poured into HM's *Tabung Metro Prihatin* under the Media Prima-NSTP Humanitarian Fund, allowed us to give more in 2020, and truly reach out to those in need.

Our overall resolve to deliver beyond expectations was also severely tested during the staging of this year's 33rd Anugerah Bintang Popular BH ("ABPBH33") in November 2020. Initially mired in online controversy, it turned out to be a huge success with this year's show garnering an even higher audience share ratings than last year's.

Staged at Axiata Arena within the new normals, with no audiences and strict adherence to SOPs, ABPBH33 was aired and streamed live on TV3, tonton, the YouTube channels of TV3 and BH, as well as on ABPBH's official website (www.abpbh.com.my) and the TikTok app.

Moving forward, it will remain a very challenging operating environment ahead for the overall newspaper and media industry, with some analysts opining that the pandemic is actually hastening the decline in traditional media revenues as advertising expenditure suffers.

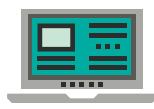
With the operating environment expected to remain as such within the immediate to near term, NSTP as a company will consciously improve its operational efficiencies internally with more prudent cost-saving measures as a way to cushion the impact of lower revenues.

At the same time, the Company will continue to develop and grow our digital initiatives, to meaningfully offset any declines in traditional revenue, and focus on the value stream we use to deliver content to the audience.

For NSTP, our reason for being has always been to serve Malaysians with high quality and credible content, be it news, lifestyle or entertainment, that will enrich and complement their daily lives.

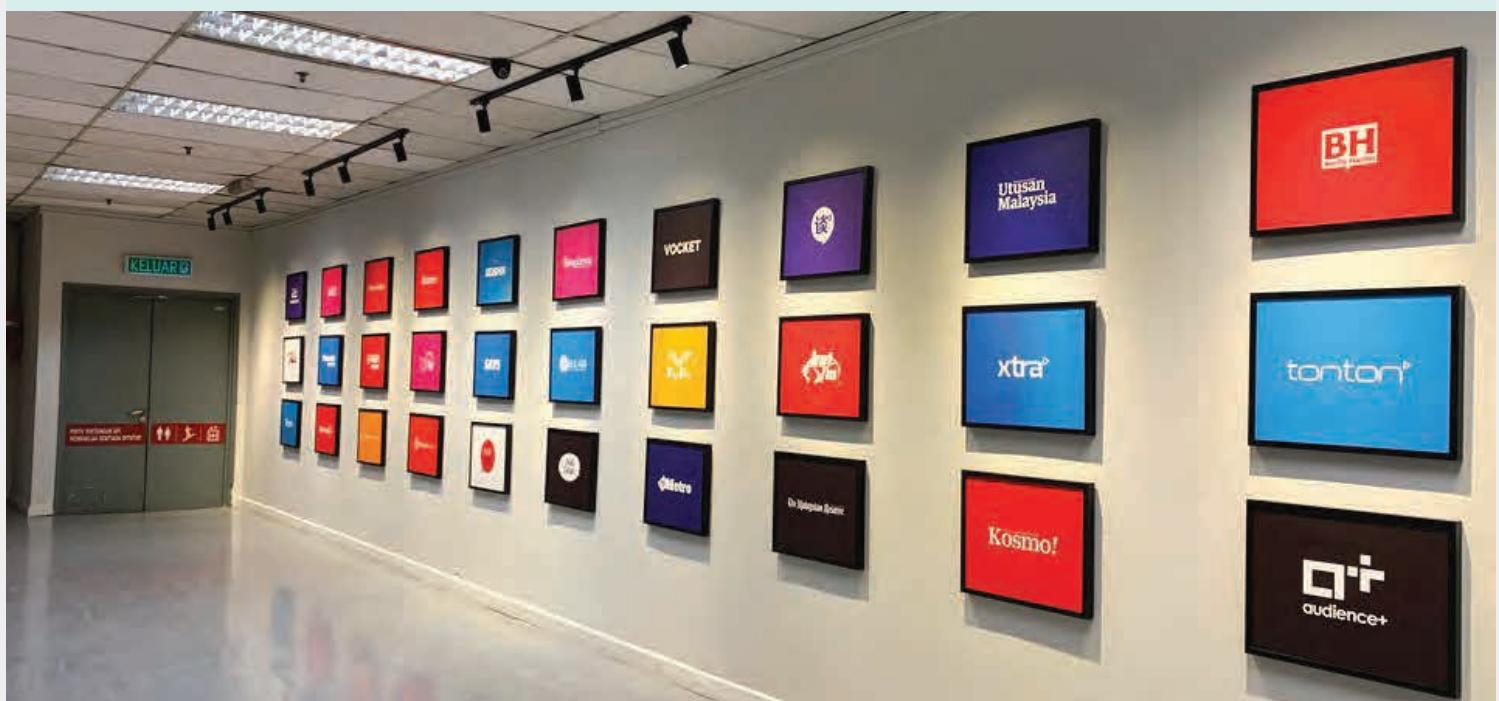
New work structure, new approaches and processes within a new normal, cost optimisations and new strategies are just some of the plans put in place by NSTP to meet the current challenges and strive forward, pandemic or not.





REV MEDIA GROUP: MALAYSIA'S #1 DIGITAL PUBLISHER

REV Media Group ("RMG"), a leading digital publisher in Malaysia, has been the driving force behind Media Prima's digital initiatives. We represent over 30 top authority brands across multiple languages and platforms comprising News, Entertainment, Lifestyle, Technology and more. With an extensive distribution network that reaches out to more than 15 million Malaysians a month, we strive to elevate brands to greater heights through influential, data-driven digital marketing solutions and exceptional content aimed at winning the hearts of consumers.



[Logo feature wall in Basecamp, Sri Pentas.](#)

This year, RMG continued to be at the forefront of the Group's digital transformation initiatives, maintaining our position as the number one choice in mobile content (reaching about 83% of Malaysia's total digital population as of November 2020) as we focused our efforts on more growth and monetization opportunities for the Group.

A new identity



Platform Review

As part of our corporate initiative to further streamline business processes and functions, Media Prima Digital and REV Asia rebranded to REV Media Group in July 2020 and both teams are currently based in Sri Pentas (Basecamp and Fort North). The new branding has enabled us to offer better clarity and synergies to our customers as we continue to deliver the best solutions to them, thus helping us solidify our position as the leading digital publisher in Malaysia.

EMBRACING THE NEW NORMAL

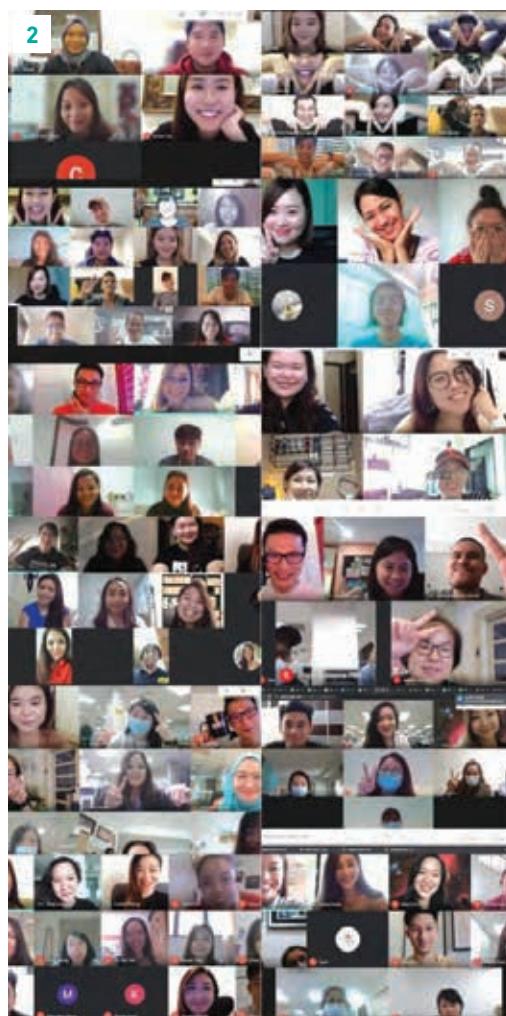
After months of preparation to host clients and agencies at Basecamp, Sri Pentas for Exploding Content 2020, we had to pivot to host the event virtually instead as a precautionary measure to the rise in Covid-19 cases.

Leveraging on our digital and production capabilities, we organized our first ever virtual edition of Exploding Content. Within two weeks, we conducted over 130 personalised calls to introduce exclusive advertising packages to our clients, with deals worth RM32 million in the pipeline pending validation.

ENHANCING OUR DIGITAL NEWS OFFERINGS

One of our key priorities this year was to enhance our digital news offerings in terms of growth and engagement, as well as to optimize monetization for the Group through the introduction of our News Network. We also welcomed three new brands into this network — Utusan Malaysia, Kosmo! and The Malaysian Reserve — diversifying our portfolio even further with credible, household names.

Amidst the uncertainties of the pandemic, people need trusted and reliable sources of information, even more so during this challenging time with a lot of fake and unverified news in circulation. RMG's News Network caters to over 11 Million Malaysians a month and our legacy brands Harian Metro, Berita Harian and New Straits Times are at the forefront with their continuous efforts in delivering the most accurate and verified news to our audience.



We also welcomed three new brands into this network —

Utusan Malaysia, Kosmo! and The Malaysian Reserve



Our esports and gaming portal,

MyGameOn, was selected as one of the 18 organizations across Asia Pacific in the Google News Initiative ("GNI") Innovation Challenge



1.
[Behind the scenes of an OHBULAN! video shoot in Basecamp.](#)

2.
[Over 130 personalised calls were conducted for the virtual edition of Exploding Content 2020.](#)

3.
[IGN SEA's Squad Up brand integration with McDonald's and Samsung.](#)

REVOLUTIONISING THE ESPORTS AND GAMING SCENE

Our esports and gaming portal, MyGameOn, was selected as one of the 18 organizations across Asia Pacific in the Google News Initiative ("GNI") Innovation Challenge, a global effort by Google to work with the news industry to help journalism thrive in the digital age. MyGameOn, the only Malaysian representative in the initiative, was chosen to build a content recommendation engine to increase consumption of content from its community of gamers through personalisation. GNI's support will enable us to develop sustainable business models by diversifying revenue streams and increasing audience engagement.

We also continued to pursue esports initiatives such as IGN SEA's Squad Up, a PUBG mobile tournament hosted in partnership with YouTube Malaysia. The objective of this campaign was to educate the public on ways to start streaming with provision of tutorials and guides, and to share how established brands use esports to maintain market relevance during the pandemic. It also showcased how celebrities and KOLs can be used for content integration in live esports streaming through a series of engaging

activities involving deeper sponsored product activations such as the "McDonald's Brain Freeze Challenge" and the "Samsung Selfie Challenge". The tournament featured over 250 teams and reached a whopping 600,000 views on the video-sharing platform.

HARNESSING THE POWER OF DATA AND TECHNOLOGY

We believe in harnessing the power of data and technology to not only deliver engaging content that matters the most to our audience, but to also enhance our offerings to ensure that our clients are provided with the best possible advertising solutions and targeting capabilities.

We introduced a lookalike audience targeting option within the Media Prima ecosystem — a proven approach to extend audience segments by adding new ones that show similar characteristics (demographics/interests) to the existing target audiences. AI (machine learning) is used to analyse user profiles and discover new users, enabling optimization that wasn't possible before in terms of quantity (reach/scale) and quality (performance/insight) of audiences.



Platform Review



[Sample audience insights illustrating the demographic breakdown of engaged users.](#)

We are also working on positioning RMG as leaders of Audience Data in Malaysia, introducing comprehensive reporting (pre-sales and post-sales support) and class-leading audience fact sheets for potential clients to better understand our audience segments.

GOING FOR GROWTH

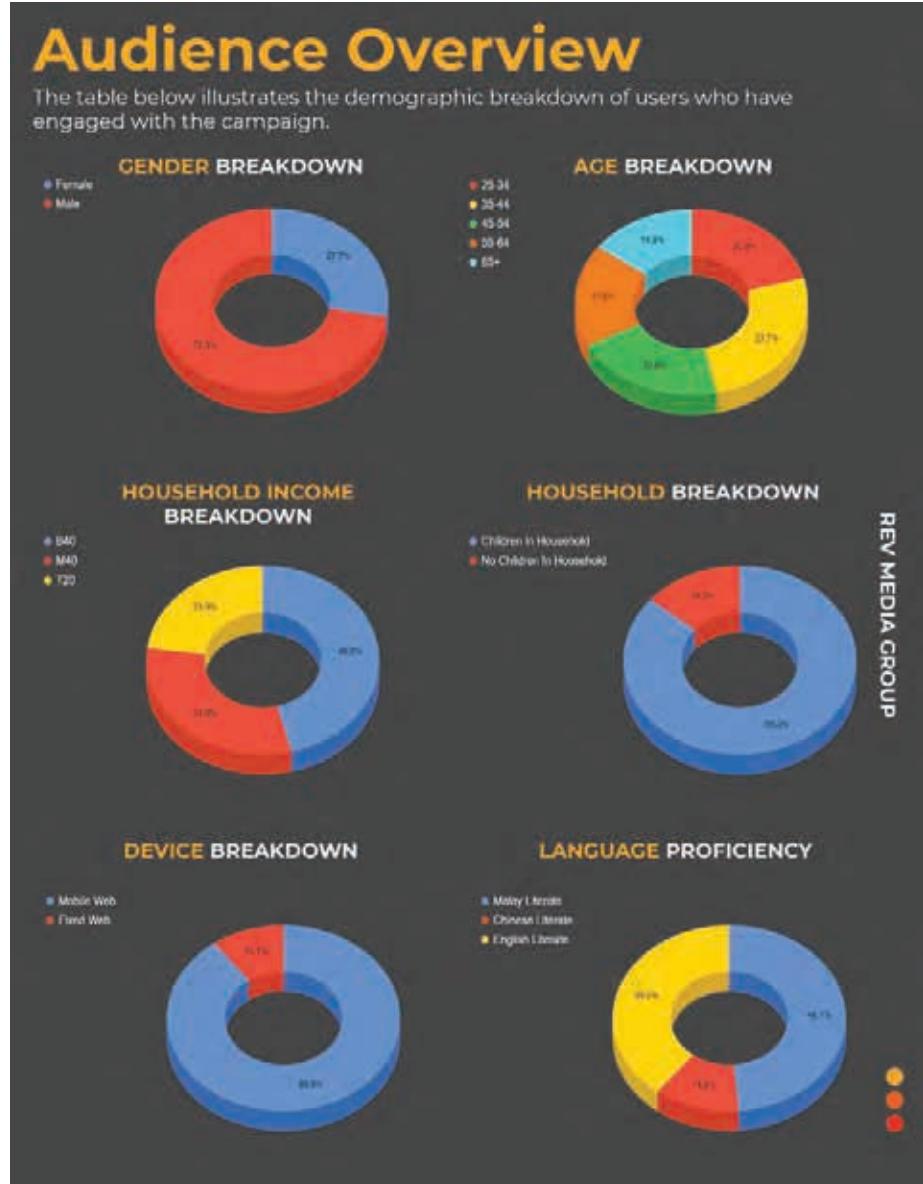
RMG took over all digital sponsored content for the Group which involved the integration of digital sponsored content operations across all platforms within Media Prima. We have since doubled the number of line items executed from the previous year.

Maintaining a steady growth year-on-year, we recorded RM90.1 million in revenue for FY20, an increase of 21% from RM74.4 million last year.

THE WAY FORWARD

Moving forward, we aspire to see the fruition of some of our recently executed projects including SPARK, a new business unit that was created to grow and consolidate all Sponsored Social Media Content and Influencer Marketing within the Group.

We believe that the way forward is to continuously innovate and be adaptive to the dynamic media industry.



This will productise our valuable social media assets and variety of talents and influencers to create a staple social media product for advertisers across the Group's digital platforms.

As our vision is to be the #1 Malaysian digital media company in terms of reach, retention and revenue, we believe that the way forward is to continuously innovate and be adaptive to the dynamic media industry in order to drive a positive impact on the Group's overall growth and profitability.



BIG TREE

Big Tree persevered against the many challenges that 2020 offered, and successfully maintained our status as Malaysia's foremost out-of-home ("OOH") company.



[BIG News by NSTP, a collaboration between Big Tree and NSTP, in keeping the public informed of current news while on-the-go.](#)

Our biggest hurdles were the strict movement control orders that were initiated in the fight against Covid-19. We mitigated the impact of these restrictions through innovative solutions, and by adopting a more direct marketing approach such as constant creative short messaging that assisted in keeping the faith among our key connections, and ensured that Big Tree stayed at the very forefront of their minds.

We introduced a series of successful investment options to facilitate a smooth reemergence into the market for advertisers after restrictions were partially lifted. The corporate social responsibility

OOH investment packages that followed resulted in soaring media occupancy, and enlisted new clients that have previously never appeared on OOH nor have worked with Big Tree before. These initiatives were designed with the aim of making OOH advertising attainable for everybody, especially small and medium-sized enterprises.

Furthermore, during the Recovery Movement Control Order, our dedicated Sales Team conducted roadshows in key regions across Peninsula Malaysia to reignite and reinforce trust in OOH, whilst adhering to the standard operating procedures set out by the Malaysian government.

Platform Review



We expanded and upgraded our static and digital OOH inventory

to fulfil the growing demand, also to enhance captivation of advertisers' brand messages

This year also saw the launch of the BIG News by NSTP initiative — a collaboration between Big Tree and The News Straits Times Press ("NSTP"). In line with the Group's Environmental, Social, and Corporate Governance efforts in adding value in the lives of audiences, this collaboration delivers live news headlines from the NSTP via Big Tree's digital OOH screens to urban audiences who are constantly on-the-go; ensuring that the Malaysian public is kept well-informed of the country's top developments. This initiative is currently available at six high traffic and heavy footfall locations in the Klang Valley.

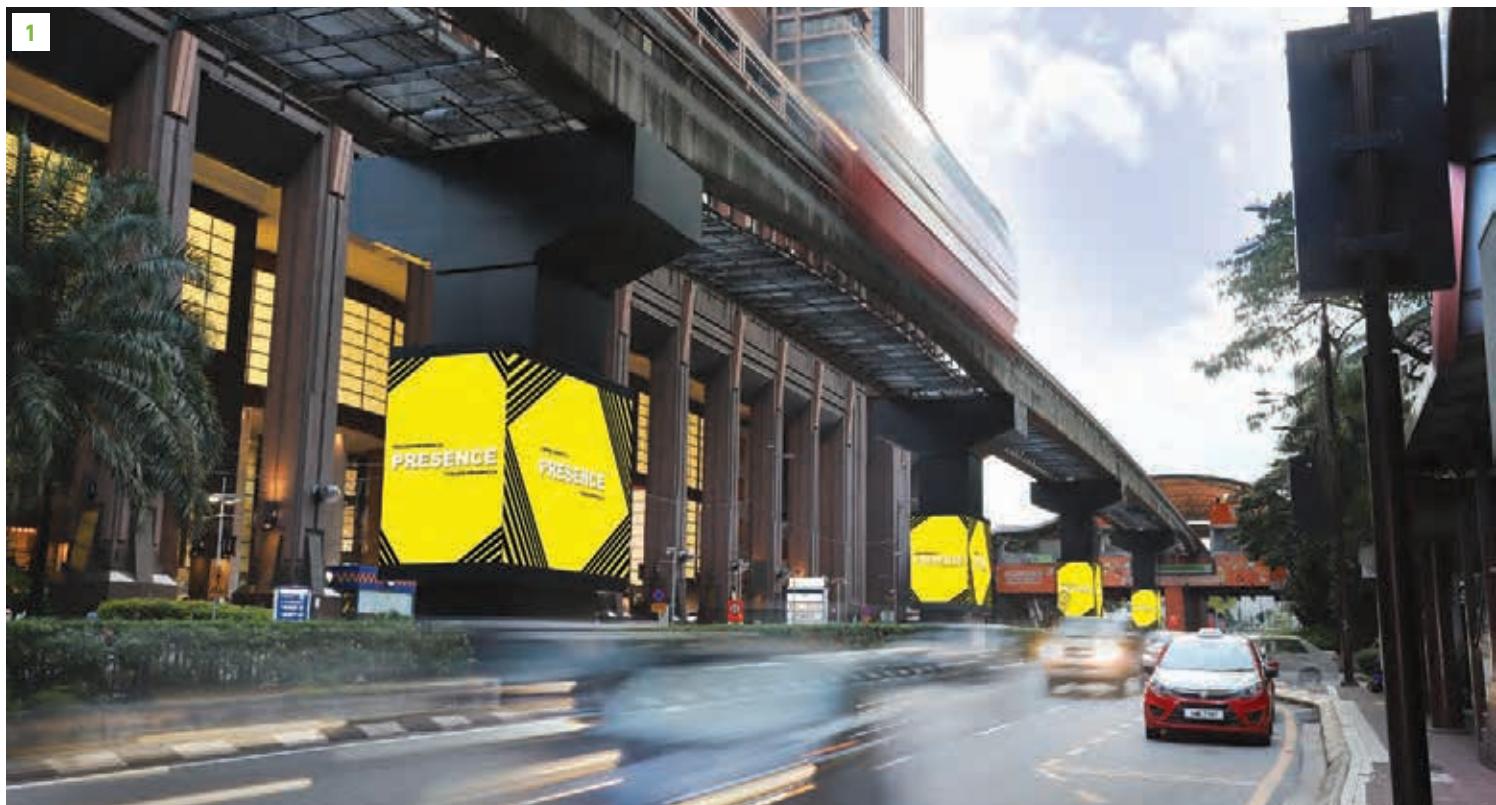
KEEPING UP WITH DEMAND

This year, we expanded our digital OOH inventory to cater to the growing demand in digital OOH advertising. First, we unveiled the Digital Tower Series @ SPRINT which targets audiences driving along the SPRINT Highway towards the Kuala Lumpur City Centre from Damansara, Petaling Jaya, and TTDI. We then presented the CuBig Series @ Times Square, which is strategically located along Jalan Imbi, an arterial route in the center of the Kuala Lumpur Golden Triangle that serves audiences

from the surrounding retail and business landmarks. We extended our reach in the southern region of Peninsular Malaysia with the Digital @ Tebrau, which is tactically located along Jalan Tebrau that serves as an integral link between Johor Bahru city and the North-South Expressway (NSE).

Our existing digital OOH formats were upgraded to meet international standards of innovation. The CuBig Series @ Jalan Bangsar was fitted with new seamless edges that provide extra advertising space for maximum branding opportunities. The Cosmic Towers @ KL Sentral underwent enhancements, and now feature screens with crisper, higher-definition resolution that engage the combined audiences of KL Sentral, Malaysia's busiest integrated transit hub, and Nu Sentral, Malaysia's premier transumer lifestyle mall.

In addition to the expansion and innovation of our digital OOH inventory, we also broadened our presence with the newly established Beamer Series along Federal Highway. This sequence of large, backlit panels, which replicate the award-winning design of the Beamer Series on SPRINT Highway and on Jalan Tuanku Abdul Halim,



influence the mass audiences that traverse the Federal Highway daily.

To liven up Kuala Lumpur in light of the pandemic, we launched the 'Illustrasi Haiwan Malaysia oleh Big Tree' campaign which garnered interest from national media and went viral on social media. This campaign featured vibrant visuals of animals unique to Malaysia displayed on Big Tree's own KLCC Snorkels, a set of large lightboxes that dominate the vicinity of Malaysia's most iconic landmark, the Petronas Twin Towers. Each visual was embedded with a QR code to facilitate audience interaction. Upon scanning the QR codes, audiences will be transported to a special landing page on Big Tree's official website where they may learn interesting facts about these animals. This initiative further highlighted the unique strengths of static OOH media, and its ability to drive online activation and induce instant conversions.

FORGING AHEAD

Moving into 2021, Big Tree's values shall continue to drive the way we work. We intend to continue meeting the demands of the age of digital disruption by focusing on the comprehensive expansion of our digital OOH assets. This includes introducing new landmark digital OOH formats



We will continue to uphold our 5 core values; creativity, innovation, technology, integration and engagement in our commitment to provide advertisers the best OOH solutions



throughout 2021 in prominent and premium locations, which stays true to our mission of landscaping evolving cityscapes and urban aesthetics. Big Tree shall also continue with its product differentiation efforts to ensure that our media formats, both static and digital, lead the Malaysian OOH industry in creativity and innovation.

We will fortify our position as Malaysia's top OOH company by expanding our reach in main market centres beyond the Klang Valley. Furthermore, we will strengthen our communication efforts through frequent updates on our social media channels, and by maintaining the newly adopted direct marketing approach to create loyal and lasting client relationships. We will also continue our effective cost management initiatives to ensure a healthy margin.

Big Tree is committed to providing advertisers with creative integrated solutions that obtain the best reach, and deliver the highest engagement. We achieve this through supporting the campaign objectives and visions of stakeholders via a holistic approach that establishes strong brand presence at multiple touch-points throughout their audience's daily journeys. This is made possible with our extensive inventory of distinctive media formats, and with its singular expertise in advertising along expressways, integrated transit network, retail centres, and on premium street furniture, ensuring unstoppable coverage nationwide.



1.
[CuBigSeries@ TimesSquare, a series of digital OOH on Jalan Imbi engaging shoppers and PMEBs in the Kuala Lumpur Golden Triangle.](#)



2.
[Our team of designers and engineers collaborate in architecting innovative OOH media for enhance captivation of audiences.](#)



3.
[The 'Illustrasi Haiwan Malaysia oleh Big Tree' campaign dominate the vicinity of the Petronas Twin Towers and educate the public on local animals.](#)

Platform Review



PRIMEWORKS STUDIOS

Primeworks Studios is one of Southeast Asia's most reputable production companies, tackling every aspect of the media chain in TV and film production, content sales, film distribution and marketing, animation, branded content, as well as licensing and merchandising.



 
Ejen Ali Misi: Juang
 was released on
 25 December 2020
 on Ejen Ali's official
 YouTube channel,
 featuring Tan Sri Dr.
 Noor Hisham bin
 Abdullah, the current
 Director-General of
 Health.

With over 3,000 hours of compelling content produced annually for a range of platforms including television, cinema and digital, our production house is the hub and creative force behind a wide range of content genres including entertainment, animation, magazine, documentary, sports and drama.

The current outbreak has impacted and disrupted various professional industries globally, including the Malaysian film, production and entertainment industry. We see many productions halted, timelines reshuffled, film releases postponed and investors tightening their belts - but this has not dampened our passion at Primeworks Studios.

Due to the pandemic, many of our activities were postponed and the entertainment and media industry was drastically affected. Our film, Rock 4: Rockers Never Dai, released on 20 February 2020, was impacted as cinema-goers started to stay away due to health concerns. After the first two weeks, box office collection slowed down tremendously and the film closed with over RM1.8 million for a 4-week theatrical run.

The pandemic caused a huge shift in content consumption to digital, with many local films releases moving to Over The Top ("OTT") platforms, while other producers decided to postpone their releases. Films such as Mael Totey sparked a phenomenon when it managed to collect more than RM6.4 million, a record achievement for a local on-demand film.

SUCCESSFUL INITIATIVES WILL TRANSFORM BIG IDEAS INTO REALITY

In an effort to widen audience reach and cater to changing viewership trends, Primeworks Studios signed content partnership deals to stream some of TV3's top Malay drama series such as *Sang Pewaris*, *Bidadari Salju*, *7 Hari Mencintaiku 2*, *Kampung People*, *Leftenant Zana* as well as *Hati Yang Tersakiti*, *Isteri Misteri* and *Lelaki Lingkungan Cinta* on OTT platforms WeTV, iQIYI and VIU.

Primeworks Studios also aims to showcase quality content from Malaysia into new territories. Six local-made animation titles were sold to popular video-on-demand service, Amazon Prime, via a deal signed between Primeworks Distribution and Janson Media, for its members in the United States, Canada, Ireland, Australia, New Zealand and the United Kingdom. The titles available on Amazon Prime include *Ejen Ali*, *Soccer Bugs*, *Cingkus Blues*, *Saladin*, *Knowsy Nina Wants To Know* and *Super Tots*.

Primeworks Studios promises entertainment and quality. Our awards and recognitions over the years is testament to this promise. *Ejen Ali the Movie* currently reigns as Malaysia's number one animated film and the third highest-grossing Malaysian film of all time. Co-produced by Primeworks Studios with WAU Animation, it raked in RM30 million at the box-office and was selected as one of 16 films in the running for the Best Animated Feature Film Award at the 24th edition of Cartoons on the Bay - Pulcinella Awards, Italy. At the 2020 Asian Academy Creative Awards, Singapore, the movie also received the honour of Best Direction (Fiction) for director, Usamah Zaid Yasin and represented Malaysia at the regional level. At the same event, *Alif & Sofia*, a preschool 3D animation series made for YouTube co-produced with Blindspot Studios, was named Malaysia's winner in the Best Preschool Programme category. *Ejen Ali the Movie* also bagged the Filem Meletop award at Anugerah Meletop Era 2020, becoming the first animated film to win this recognition voted by the public.

Following its theatrical success, *Ejen Ali the Movie* was aired on TV3 during Hari Raya Aidilfitri and achieved the highest ratings for a special festive programme in the station's history. TV3 then aired



the English dub version of the film as part of special Christmas programming in December 2020, where it again garnered solid ratings. The film made its bilingual debut on Netflix in Malaysia, Singapore and Brunei in November 2020, where it trended on Netflix Malaysia's Top 10 content list within the first week of release. The *Ejen Ali* TV series was further expanded internationally via Tencent Video China, in partnership with local distributor CAWRO. The effort marks *Ejen Ali*'s first break into China's entertainment scene, where the demand for content on online video platforms is rapidly growing and becoming the platform of choice for major advertisers, a trend expected to grow steadily over the next five years. The move is set to kickstart the brand's licensing and merchandising business in the region.

The new norms in place due to the pandemic led many families to be homebound. In view of this, Primeworks Studios expanded its marketing engagement activities for *Ejen Ali* and *Alif & Sofia*, in an effort to provide quality entertainment activities for kids and families staying home.

▲
Our popular drama series, such as *7 Hari Mencintaiku 2*, are now available on iQiyi.

Platform Review

Following the success of *Ejen Ali The Movie*, the brand's consumer products range has seen substantial expansion in 2020, ranging from back-to-school, toys, confectionery and publishing. A series of new products were introduced to encourage fans to safely spend their leisure time with loved ones — the board game EJEN ALI Misi: Bootcamp, the collectible trading card game EJEN ALI Misi: Alliance, the limited edition comic book EJEN ALI: Side Mission and EJEN ALI hand sanitisers by Carrie BacBuster. On top of the new merchandise line releases, the official music video from *Ejen Ali the Movie*'s theme song #KitaJagaKita featuring Altimet, Cuurley and Malik Abdullah, was released on 31 August 2020, reaching nearly one million views in a week on YouTube alone. The music video was released in conjunction with National Day, as a tribute to all Malaysians who have echoed the phrase #KitaJagaKita to stay united and to support each other to fight the pandemic.

To celebrate Malaysia Day on 16 September 2020, Primeworks Studios and WAU Animation joined hands for the #KitaJagaKita campaign. The campaign is a call-to-action from Primeworks Studios and WAU Animation to support the frontliners' heroic efforts in combating the Covid-19 pandemic. Following the success of the campaign, a short film, EJEN ALI MISI: JUANG was released on 25 December 2020 on *Ejen Ali*'s official YouTube channel, featuring Tan Sri Dr. Noor Hisham bin Abdullah, the current Director-General of Health. In the short film, Tan Sri Dr. Noor Hisham joins the ranks of MATA Ejens in a cameo role during an epic battle, accompanied by a moving new rendition of the Kita Jaga Kita theme song. The short film trended at number one for ten days on YouTube Malaysia and garnered 1 million views in less than 24 hours after its launch.

A successful publishing run in the Indonesian market was launched with the Augmented Reality animated book series *Ayo, Shalat!*, in conjunction with the release of new *Alif & Sofia* episodes dubbed in Bahasa Indonesia. This was followed by the 2020 Maulidur Rasul celebration and the release of *Alif & Sofia*'s first publication line in Malaysia, the My Prophet illustrated storybook series and the Jom Solat! guidebooks. The series was pitched as the perfect activity for young families to read together



Ejen Ali
The Movie
currently reigns as
Malaysia's
number one
animation film
and the third highest-grossing Malaysian film of all time.

while staying home and safe during this global pandemic. *Alif & Sofia* has also collaborated with Tudung Si Comel to release a school hijab line for kids in preschool and lower primary.

Trends today show that people have low tolerance for anything that sounds close to a sales pitch. This is why branded content is a powerful marketing tool that can stimulate consumers' emotions, build trust between consumers and brands, and increase brand revenue. Some of the branded content that Primeworks Studios produced include a five-episode series called *Saranghae Ramadan Eid*, The Series (in collaboration with Motion Content Group and sponsored by Coway Malaysia), *Dari Dapur Saya*

Ke Dapur Anda #KepciKitchen (sponsored by KFC), #coverlagurayaTV3 campaign (sponsored by Huawei, L'oreal and Nescafe), #KempenTabungPahlawan in partnership with Jabatan Hal Ehwal Veteran ATM, and *Di Pagi Raya Ini* (Dayang Nurfaizah) with Celcom Axiata Sdn Bhd.

Monkey Bone embarked on three major campaigns in 2020 dedicated to frontliners. *'Di Pagi Raya Ini'* a new Raya single sang by popular singer Dayang Nurfaizah and *#CoverLaguRaya* song, which featured NJWA Mahiaddin, Sarah Ismail and VE, performing popular nostalgic tunes backed by Fly & The Gypsy Cats. For *#KempenTabungPahlawan*, the song *'Perwira'* was produced by Aubrey Suwito and Datuk Ahmad Izham Omar for soprano songstress Ning Baizura. The single's release coincides with the Tabung Pahlawan campaign launched to raise funds for Malaysian Armed Forces Veterans and their families.

We recognise that creativity is a skill. While marketing techniques, advertising practices, and entertainment trends change constantly, Primeworks Studios intends to achieve extraordinary success by awareness — awareness of the competition, understanding of trends and technological developments, awareness of the likes and dislikes of viewers, and investor awareness needs. With these in mind, Primeworks Studios will continue to be a pacesetter in producing creative, engaging and entertaining content that sets it apart from its competitors.

While 2020 was an unprecedented year, we remain hopeful. Moving forward, we are committed to strengthening our brand as a content creation and distribution company and keep to our vision as providers of Asian Stories for the World.

Our mission is to continue expanding our footprint regionally, improving the quality of our productions, and focusing on ever-evolving business opportunities in the content sphere. Our ambition is to be Malaysia's global animation powerhouse.



► **Primeworks Studios will continue to be a pacesetter in producing creative, engaging and entertaining content that sets it apart from its competitors.**



1.
[Ejen Ali creator and director, Usamah Zaid Yasin, with the characters from the beloved animation.](#)

2.
[Pre-school animated series Alif & Sofia, dubbed in Bahasa Indonesia, together with its Augmented Reality book series Ayo, Shalatl!, was launched in Jakarta in March 2020.](#)

3.
[To widen audience reach and cater to changing viewership trends, Primeworks Studios signed content partnership deals to stream some of TV3's top Malay drama such as *Isteri Misteri*.](#)

4.
[Primeworks Studio entered into a collaboration with popular streaming platform WeTV, in November 2020.](#)



Platform Review



RIPPLE

RIPPLE is a network of four radio stations and a podcast brand that reaches and engages audiences by providing the best content on both traditional and digital platforms. With the ability of leveraging data from these content development, we are able to narrate better content for our audience and while providing better solutions for our clients.



[Behind The Scene: Kool FM's digital team at the control area during one of the Facebook live broadcasts of Webinar Kool that received a total of more than 1.96 million reach and over 138,000 video views on digital platforms.](#)

With over 12 million RIPPLE digital communities, our digital content which includes articles and videos, have successfully earned over 61 million total website pageviews and more than 1.23 billion total digital video views collectively.

Our key campaigns that were executed this year include Fly's Money Heist, Hot FM Duit Dari Kayangan, One FM Money In Your Area and Webinar Kool. In addition to that, two major campaigns were introduced. — #SupportLokal was launched in April, a campaign that shares selected local businesses' information across our platforms to boost spending among consumers in the local SME market. The

pandemic also allowed us to innovate by allowing listeners to be our radio shows hosts from their home by using digital tools and platforms.

We transformed our brands to maintain relevance with our audience and the advertising industry. In January, we relaunched Kool FM as a talk radio station that focuses on current, social and community news targeting Malay audiences aged 25 and above. This is a gap in the market that is not addressed for the Malay market segment that yearns for more current news and engagement. Fly FM, too, experienced a shift with new shows and announcers beginning 9 November 2020. Its



Our digital audio content has also reached an astonishing number of

95 million
digital listenerships, made possible by the signed partnership with various global technologies partners including Joox and Whooshkaa recently.

fresh new squad starts with RD, Ili and BK on the Breakfast show (6am - 10am) while Dan anchors the Drive show from 4pm - 8pm. The night ends with Anne hosting the biggest chart show in Malaysia - Fly FM's Top 50 from 8pm - 12am.

Based on the GFK Radio Audience Measurement Wave 2, 2020, our four radio stations managed to strengthen their positions by reaching 5.3 million listeners collectively each week and attracting 1.9 million PMEBs ("Professionals, Managers, Executives and Businessmen") and other white collars listeners. Kool FM set a new record for RIPPLE after becoming the No.1 Malay talk radio station in Malaysia. One FM's Breakfast segment, on the other hand, has the No.1 growth among Chinese radio stations in Malaysia. Meanwhile, Fly FM managed to grow its exclusive listener pool for the below 30 age group by 35%, while Hot FM continues to engage almost 3.7 million loyal listeners.

The method of consuming radio has changed, especially when the government announced the travel restriction due to Covid-19. According to GFK, listenership increments of 25% and 12% were recorded for digital and decoder, respectively. Our digital audio content has also reached an astonishing number of 95 million digital listenerships, made possible by the signed partnership with various global technologies partners including Joox and Whooshkaa recently.

Sources:

GFK, Radio Audience Measurement Wave 2, 2020; Google Analytics; Whooshkaa; RadioActive; Sprout Social; Coronavirus Radio Ideas Awards 2020



1

CONGRATULATIONS



ON WINNING

A GLOBAL AWARD!

THE WINNER OF BEST PARODY CATEGORY



Our radio stations continued to soar in 2020 — both Fly FM and Hot FM are the No.1 radio stations with the most followings and video likes on TikTok in Malaysia for its respective language, leaving their competitors far behind. Moreover, Fly FM's Wash For Me video parody bagged a global award for the Best Parody category at the Coronavirus Radio Ideas "Best Of" Awards. Honorable, Fly FM was the only winner of the awards from Asia.

Our Radio+ strategy and team capabilities have enabled us to grow and reach millions of audiences on both traditional and digital platforms as well as through on-ground experiences and our influencers. 2021 will see us continuously raising the bar of producing great content, innovative ideas and solutions to be the best in the industry.



1. [On-air, digital and on-ground activations are the continuous engagement strategy we do with one of our key stakeholders - the audience. Location - Penang for One FM's CNY Tour \(Event was held before the pandemic\).](#)

2.

[Fly FM's parody video educating people to wash hands has won the Best Parody Category at Coronavirus Radio Ideas Awards 2020, beating digital content from other nominated radio stations including Australia, Germany and Canada.](#)

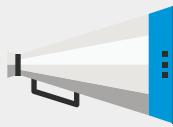
Group Financial Review

Overview

We were not spared from the effects of Covid-19 pandemic, which further compounded the challenging media landscape. Disruptive changes in the media sector and difficult macroeconomic conditions, exacerbated further by unknown variables surrounding the Covid-19 pandemic, have compelled us to expedite the next phase of our transformation exercise in 2020 which included revising revenue models and corresponding cost optimisation initiatives. This is reflected in the narrowing of our statutory and normalised loss for the financial year 2020.

Revenue

Revenue declined by 6% in 2020 to RM1,041.6 million against 2019 revenue of RM1,106.0 million, mainly attributed to the continuous decline in traditional advertising revenue, which was further impacted by the Covid-19 pandemic and the various movement control orders. This was reflected in the 16% decline in total advertising revenue to RM642.9 million in 2020 from RM762.4 million in 2019. Nevertheless, the reduction in advertising revenue was cushioned by the increase in home shopping revenue, which grew by 33% from RM232.3 million in 2019 to RM308.9 million in 2020.



Advertising

Soft advertising expenditure impacted advertising revenue across most of our media platforms, resulting in a decline of our traditional advertising by 17% from RM679.5 million in 2019 to RM563.4 million in 2020. Despite the shift in advertising expenditure trends to digital, the soft advertising expenditure market during the year also reduced our digital advertising revenue by 4% from RM82.9 million in 2019 to RM79.5 million in 2020.



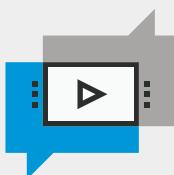
Home Shopping

WOWSHOP saw a significant 33% growth in revenue from RM232.3 million in 2019 to RM308.9 million in 2020, driven by the pivot in consumer spending habits to e-commerce and increased viewership in our home shopping programmes during the year.



Newspaper Circulation and Printing

Circulation revenue declined by 26% from RM63.7 million in 2019 to RM47.2 million in 2020 as a result of lower circulation volume partly due to the movement control orders enforced in 2020. Contract printing and distribution revenue however increased by 334% from RM3.5 million in 2019 to RM15.2 million in 2020, driven by an increase in printing and distribution contracts secured by Print Towers with third-party publishers during the year.



Content

Content production revenue decreased by 78% from RM14.3 million in 2019 to RM3.2 million in 2020 due to limited box office releases as cinemas were forced to close throughout most of 2020 under the movement control order. Content sales and distribution revenue increased by 14% from RM12.5 million in 2019 to RM14.2 million in 2020 as content sales to international and regional streaming platforms remained fairly consistent during the year.

Operating costs

Our operating costs decreased by 18% from RM1,285.8 million in 2019 to RM1,056.5 million in 2020. This was reflected in the reduction in most of our operating cost items in the statement of comprehensive income. The reduction in operating costs were achieved largely through cost optimisation and efficiency initiatives across the Group.

The detail below provides the grouping of our direct costs and other operating costs:

	2020 RM'000	2019 RM'000
Amortisation of intangible assets (programme and film rights)	95,579	130,152
Home shopping goods	212,858	157,431
Newsprint and newspaper production	28,938	51,607
Outdoor display and production	48,914	66,410
Content production and other media-related	39,505	37,757
Total direct costs	425,794	443,357
Transmission, technology and distribution	73,988	73,304
Employee benefits	297,500	426,469
Occupancy	24,703	41,871
Depreciation	111,137	123,296
Amortisation of intangible assets (excluding programme and film rights)	1,745	1,904
Impairment of non-current assets	-	39,863
Net loss on impairment of financial instruments	10,843	449
Other operating costs	110,792	135,296
Total other operating costs	630,708	842,452
Total operating costs	1,056,502	1,285,809

Our direct costs which are directly incurred in the generation of revenue reduced by 4% from RM443.4 million in 2019 to RM425.8 million in 2020, as direct costs attributed to our Broadcasting, Print Media and Outdoor Media segment revenues generally reduced in tandem with lower revenue. The reduction in direct costs from these segments were partly offset by the increase in the cost of home shopping goods sold by 35% in correspondence to the growth in home shopping revenue.

The total other operating costs reduced by 25% from RM842.5 million in 2019 to RM630.7 million in 2020, mainly due to the reduction in employee benefits costs by RM129.0 million. Lower headcount led to a decrease in aggregate salary and defined contribution plan costs by RM62.5 million and termination benefits costs reduced by RM64.4 million. Reduction in occupancy costs, depreciation, other operating costs and the absence of impairment of non-current assets also contributed to lower total other operating costs. These reductions were partly offset by an increase in net loss on impairment of financial instruments by RM10.8 million to reflect risks and uncertainties brought about by Covid-19.

Taxation

Our tax expense of RM12.3 million in 2020 remained fairly consistent against RM12.5 million in 2019.

Earnings

We narrowed our loss after tax by 90% from RM185.5 million in 2019 to RM18.1 million in 2020, driven by lower operating costs and the absence of impairment of non-current assets compared to 2019.

Exceptional items

In addition to statutory performance measures in accordance with MFRS, we measure our performance based on normalised earnings because we believe normalised performance measures provide management and investors with useful additional information about the financial performance of the Group. Normalised performance measures are not defined by MFRS and may not be directly comparable with similar adjusted performance measures used by other entities.

We derived our normalised loss for the financial year by excluding exceptional items from the loss for the financial year in the statement of comprehensive income. Exceptional items are those items we consider to be one-off or material in nature that should be brought to attention in understanding the financial performance of the Group.

Group Financial Review

Exceptional items (continued)

The reconciliation of normalised loss for the financial year is as follows:

	2020 RM'000	2019 RM'000
Loss for the financial year	18,106	185,488
Exceptional items:		
- Termination benefits	(13,678)	(75,008)
- Impairment of property, plant and equipment	-	(24,244)
- Impairment of investment properties	-	(159)
- Impairment of intangible assets	-	(16,665)
Normalised loss for the financial year	4,428	69,412

Dividend

We do not recommend payment of any dividend for the financial year ended 31 December 2020, due to the holding company's loss for the year of RM49.6 million.

Total assets

Total assets as at 31 December 2020 stood at RM1,367.1 million, a 5% decrease from RM1,435.2 million as at 31 December 2019. Non-current assets decreased by RM107.0 million, mainly attributed to the reduction in the carrying amounts of property, plant and equipment and right-of-use assets by RM36.4 million and RM60.1 million respectively. The reduction in the carrying amounts of these assets were largely due to depreciation during the year.

Current assets increased by RM39.0 million. Increase in deposits, cash and bank balances and inventories by RM46.6 million and RM17.7 million respectively were partly offset by reduction in trade and other receivables and current tax recoverable by RM17.1 million and RM8.2 million respectively.

Total liabilities

Our total liabilities reduced by 5% from RM839.0 million as at 31 December 2019 to RM794.0 million as at 31 December 2020. The reduction was mainly from trade and other payables, which decreased by RM103.8 million partly from the payment of termination benefits during the year, and lease liabilities which reduced by RM62.4 million. These were partly offset by a RM120.8 million increase in borrowings, largely from the drawdown of a term loan facility.

Cash flow

Our net cash and cash equivalents increased by 13% from RM256.9 million at 31 December 2019 to a net cash and cash equivalents position of RM291.3 million at 31 December 2020.

Net cash flow generated from operating activities decreased by RM134.8 million to RM1.6 million mainly due to working capital changes from which RM97.8 million in payables were reduced during the year.

Net cash flow used in investing activities reduced by RM8.2 million to RM4.5 million primarily reflecting lower capital expenditure and equity investments during the year.

Net cash flow generated from financing activities increased by RM113.9 million to RM37.3 million largely due to a RM162.6 million increase in proceeds from drawdown of borrowings, offset by a RM40.9 million increase in repayment of borrowings, a RM12.3 million increase in restricted bank balances and a RM5.0 million payment for the acquisition of non-controlling interests.

Net debt¹

Net debt was RM6.8 million at 31 December 2020, primarily reflecting the increase in gross debt during the year.

Our gross debt position of RM310.6 million at 31 December 2020 comprising borrowings of RM125.5 million and lease liabilities of RM185.1 million. The increase of RM58.4 million in gross debt from the gross debt position of RM252.2 million as at 31 December 2019 reflects the increase in borrowings largely from the drawdown of a term loan facility in 2020, partly offset by RM65.5 million in repayment of borrowings and RM62.7 million in payment of lease liabilities.

As at 31 December 2020, we held deposits, cash and bank balances of RM303.8 million (2019: RM257.1 million)².

¹ Borrowings and lease liabilities (both current and non-current) less deposits, cash and bank balances.

² Deposits, cash and bank balances includes restricted cash balances.

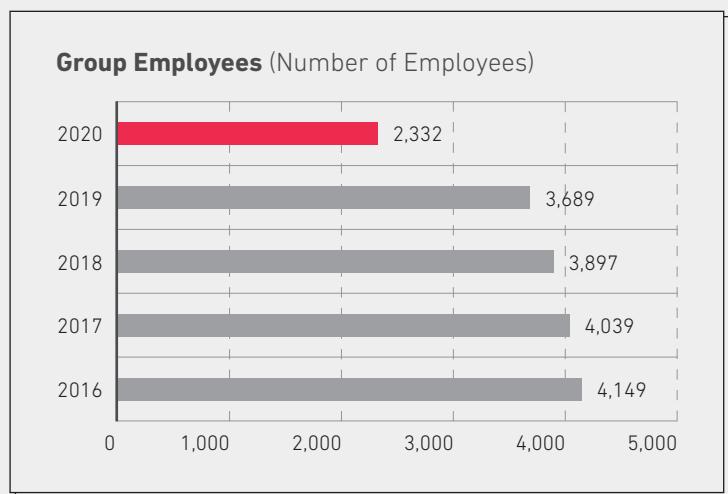
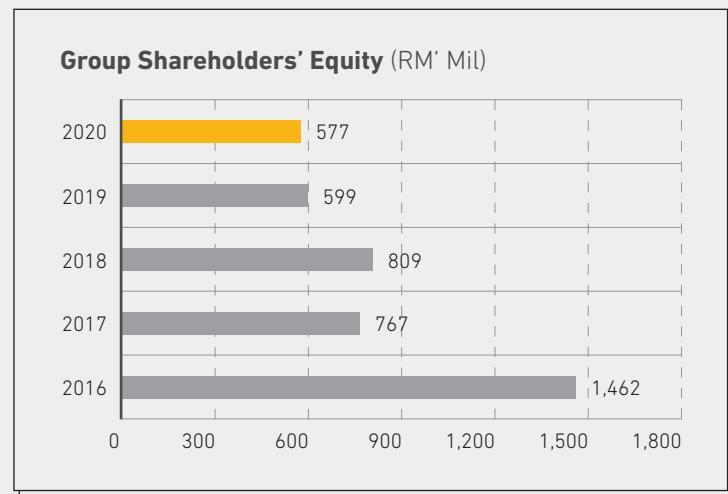
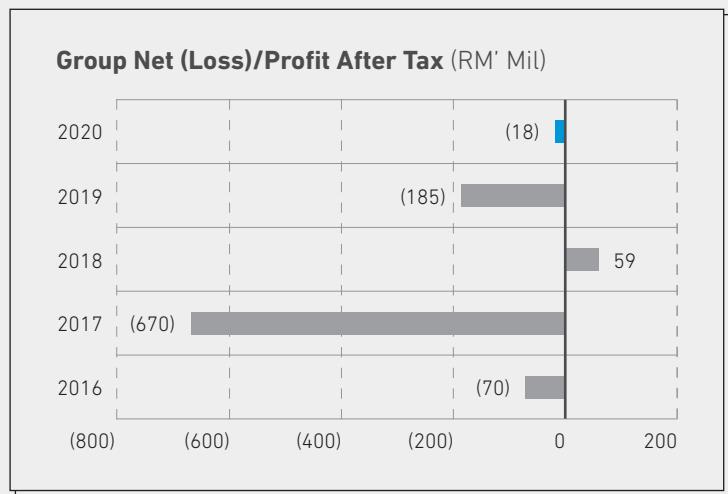
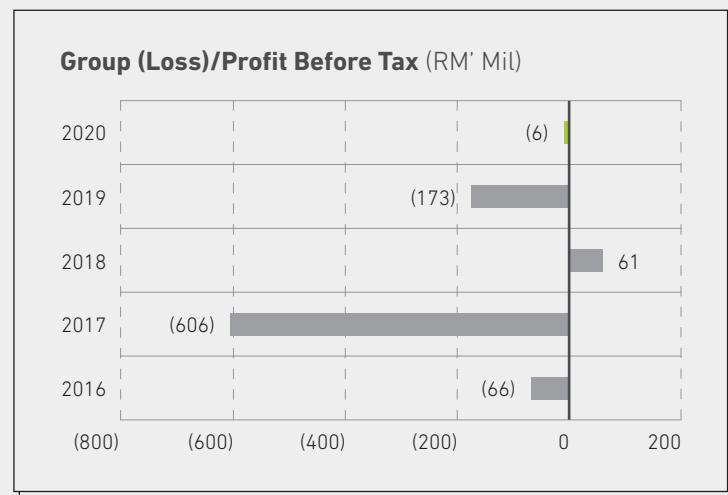
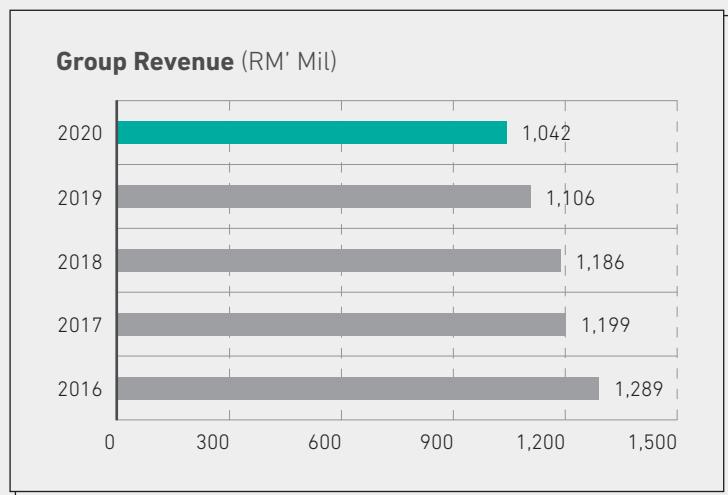
5-Year Financial Highlights

	2020	2019	2018	2017	2016
OPERATING PERFORMANCE (RM'000)					
Revenue	1,041,565	1,106,039	1,185,737	1,198,828	1,289,008
(Loss)/Profit Before Tax	(5,787)	(173,001)	60,640	(605,528)	(65,909)
Net (Loss)/Profit After Tax	(18,086)	(185,488)	58,991	(669,665)	(69,783)
Net (Loss)/Profit Attributable to Owners of the Company	(18,378)	(177,850)	58,623	(650,611)	(59,198)
KEY DATA OF FINANCIAL POSITION (RM'000)					
Total Assets	1,367,089	1,435,178	1,317,602	1,582,262	2,151,777
Total Debt ¹	310,566	252,169	4,169	314,157	300,108
Share Capital	1,524,735	1,524,735	1,524,735	1,524,735	1,109,199
Shareholders' Equity ²	576,914	598,699	808,622	766,650	1,461,629
SHARE INFORMATION (SEN PER SHARE)					
Basic (Loss)/Earnings Per Share ³	(1.66)	(16.03)	5.29	(58.66)	(5.34)
Net Assets Backing Per Share	52.01	53.98	72.90	69.12	131.77
Dividend Per Share ⁴	-	-	-	-	8.0
FINANCIAL RATIOS					
Return on Shareholders' Equity (%)	-3%	-30%	7%	-85%	-4%
Return on Total Assets (%)	-1%	-13%	4%	-42%	-3%
Gearing Ratio (Debt to Equity)	0.54	0.42	0.01	0.41	0.20
Interest Cover Ratio	0.6	(9.5)	3.8	(40.6)	(3.9)
OTHER NON-FINANCIAL INFORMATION					
Number of Employees at Year End	2,332	3,689	3,897	4,039	4,149

¹ Comprises of borrowings and lease liabilities² Comprises of share capital, other reserves and (accumulated losses)/retained earnings³ Basic (loss)/earnings per share is calculated by dividing the net (loss)/profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue⁴ Dividend per share is the total dividend declared for the respective financial year(s)

Group Financial Review

5-Year Performance Summary

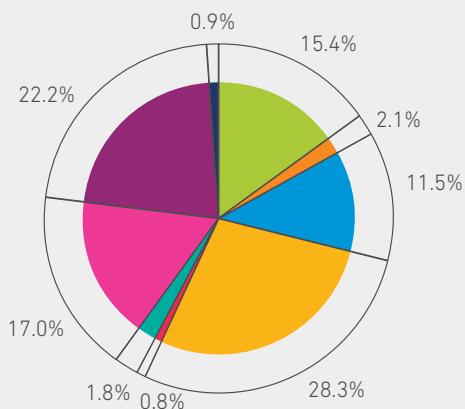


Simplified Group Statement of Financial Position

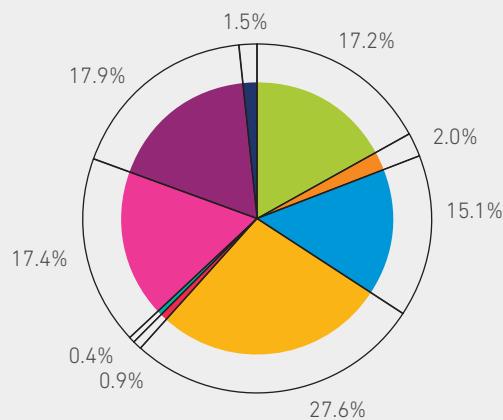
Total Assets (RM'000)

Year	Property, plant and equipment	Investment properties	Right-of-use assets	Intangible assets	Deferred tax assets	Inventories	Trade and other receivables	Cash and bank balances	Other assets ¹
2020	210,396	28,136	157,017	387,139	11,584	24,097	232,992	303,783	11,945
2019	246,823	28,864	217,110	395,889	12,475	6,433	250,103	257,144	20,337

Total Assets 2020



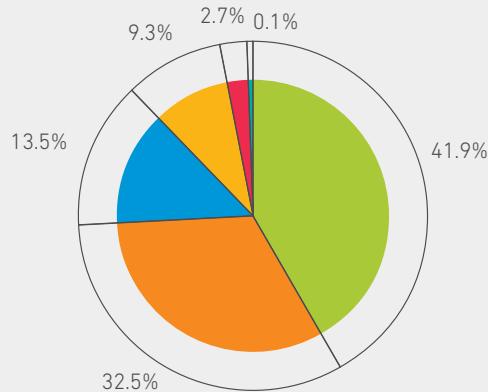
Total Assets 2019



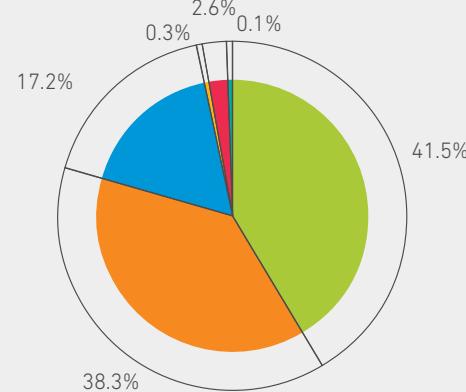
Total Liabilities and Equity (RM'000)

Year	Total equity	Trade and other payables	Lease liabilities	Borrowings	Deferred tax liabilities	Current tax payable
2020	573,067	444,589	185,081	125,485	37,501	1,366
2019	596,153	548,356	247,481	4,688	37,383	1,117

Total Liabilities and Equity 2020



Total Liabilities and Equity 2019



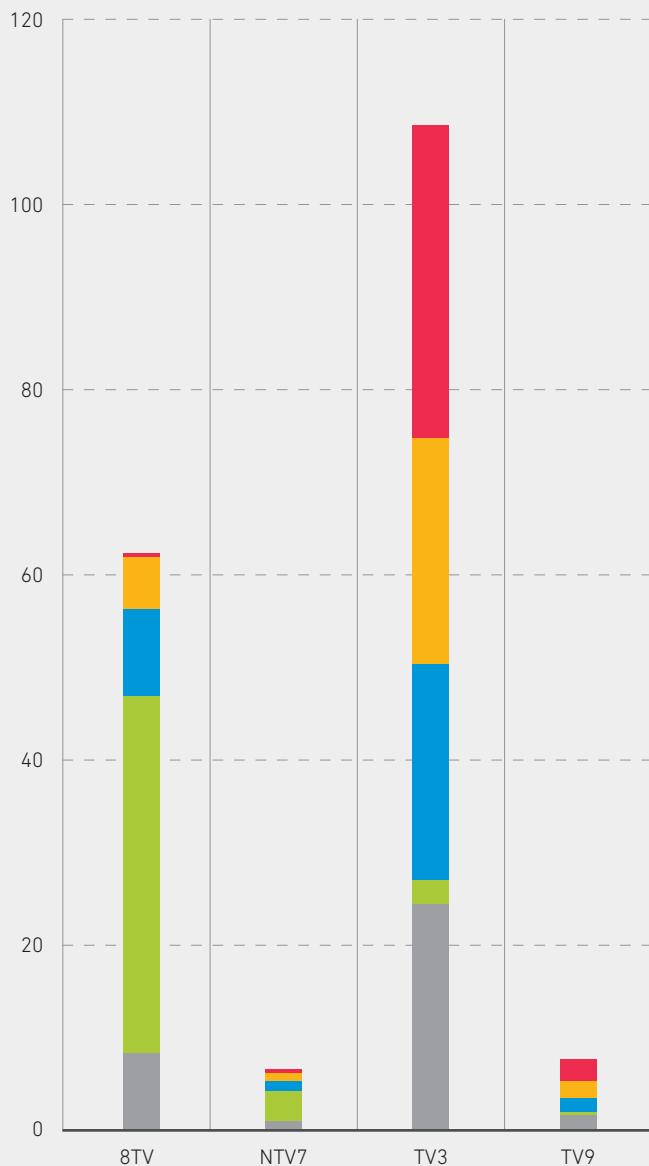
¹ Consists of associates, financial assets at fair value through other comprehensive income, current tax recoverable and non-current assets held for sale

Our Audiences

Viewership, Listenership and Readership Data

Viewership Performance 2020

Target	Total Individuals	Chinese 4+	Urban 4+	Kids 4-14	Malay 4+
Channel/ Variable	CSHR %* [#Total TV]	CSHR % [#Total TV]			
8TV	8.1	38.5	9.3	5.6	0.5
ntv7	1	3.3	1.1	0.8	0.5
TV3	24.2	2.6	23.2	24.4	33.6
TV9	1.7	0.3	1.6	1.8	2.3



* Channel Share

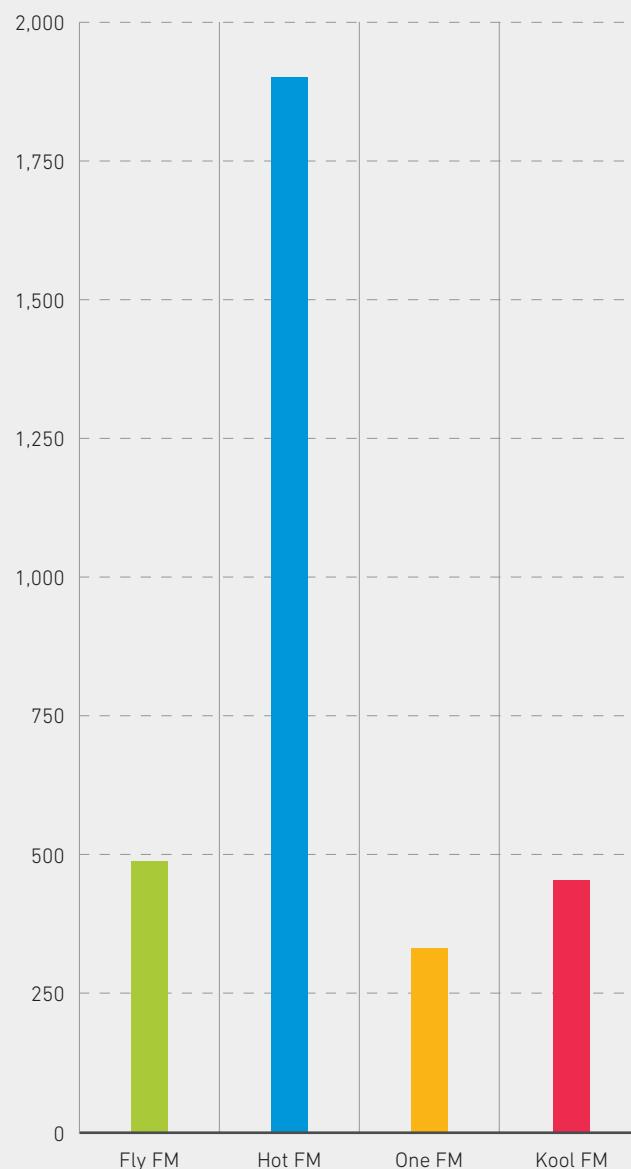
RIPPLE's Listenership Trend

Traditional Listenership*

Total Traditional Listenership: 5.3 Mil

Fly FM	488K listeners below 30
Hot FM	1.9 Mil listeners below 30
One FM	330K listeners below 30
Kool FM	454K listeners above 25

('000)



Sources: * GFK Radio Audience Measurement Survey Wave 2, 2020

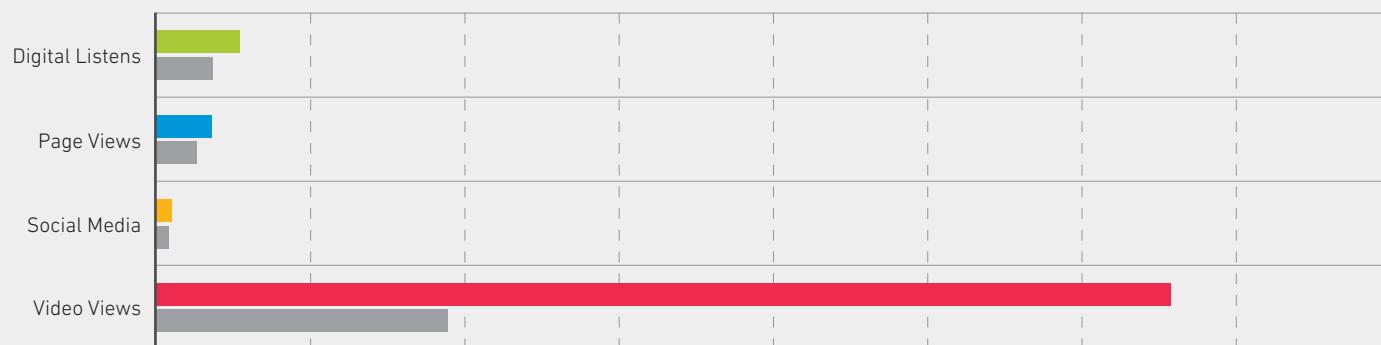
Readership Trend

	Jul'19-June'20 ('000)	Jul'18-June'19 ('000)
BH	500	633
BH Ahad	480	708
Harian Metro	1,025	1,390
Metro Ahad	1,022	1,565
New Straits Times	52	113
New Sunday Times	48	101



RIPPLE's Performance

	2020	2019
Traditional Listenership*	5.3 Mil	5.1 Mil
Digital Listens**	95,315,647	63,350,187
Page Views***	61,184,693	43,857,184
Social Media****	12,716,179	9,838,715
Video Views****	1,225,107,275	347,984,969

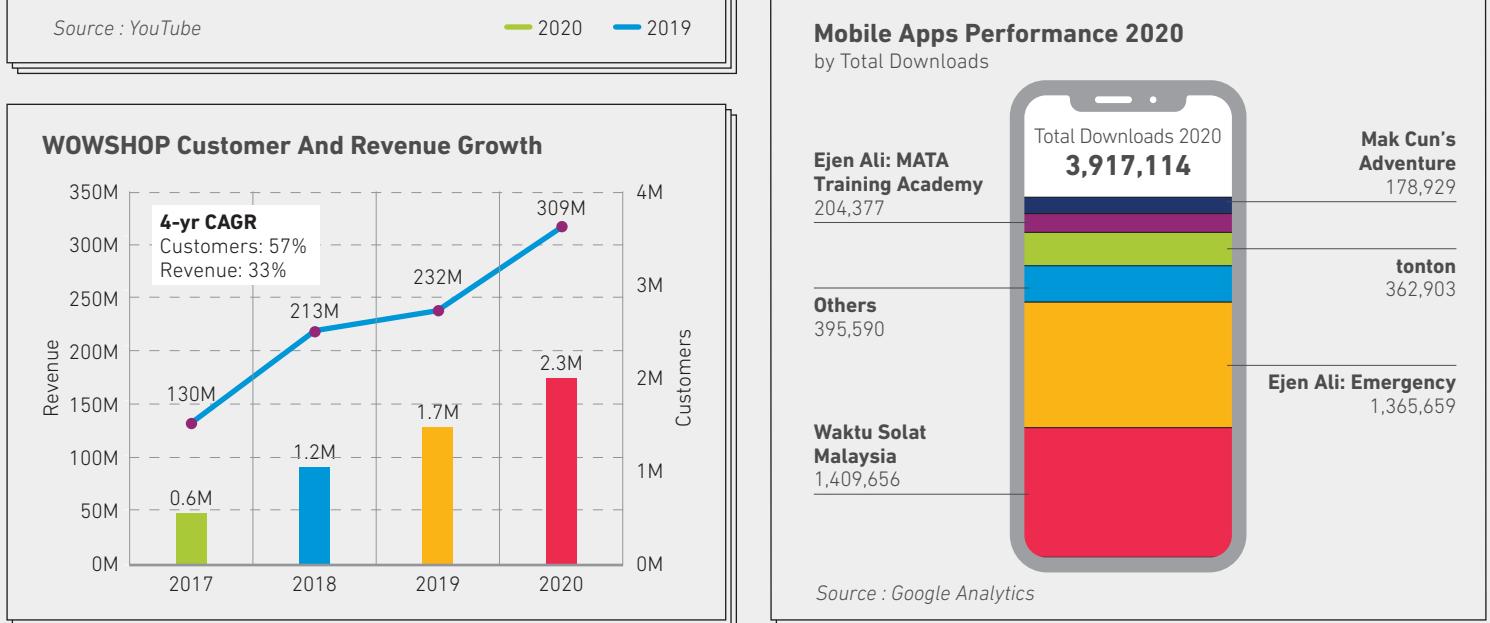
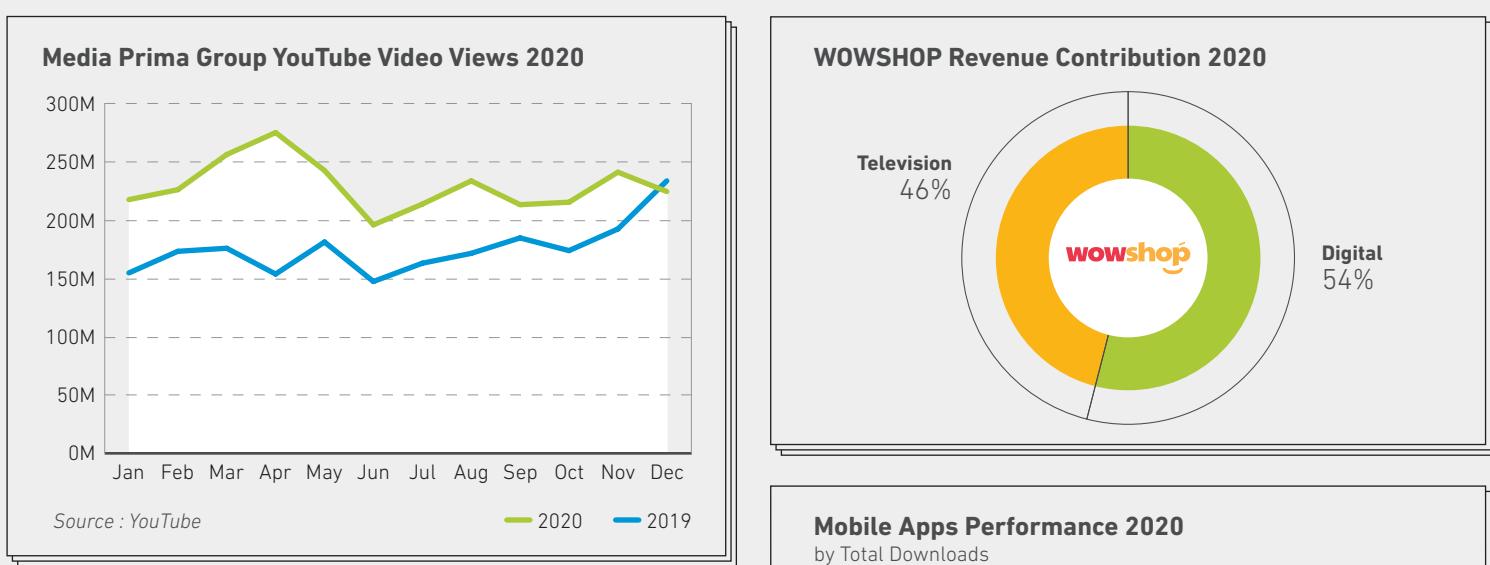
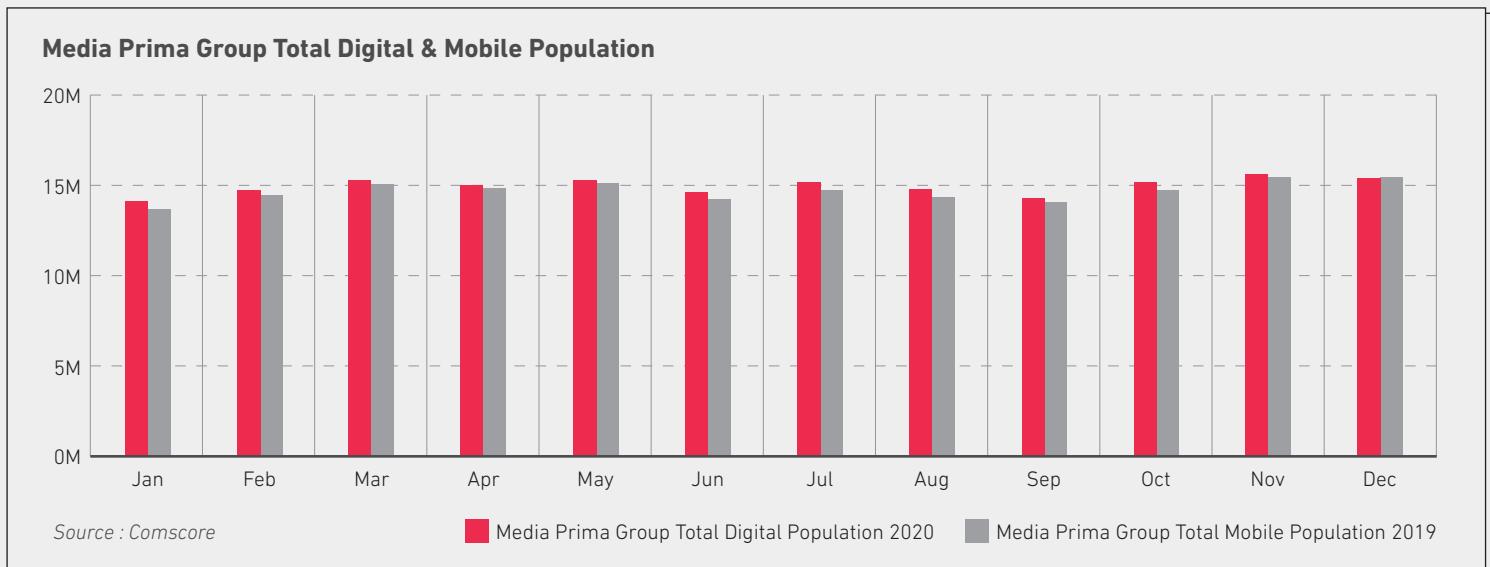


Sources:

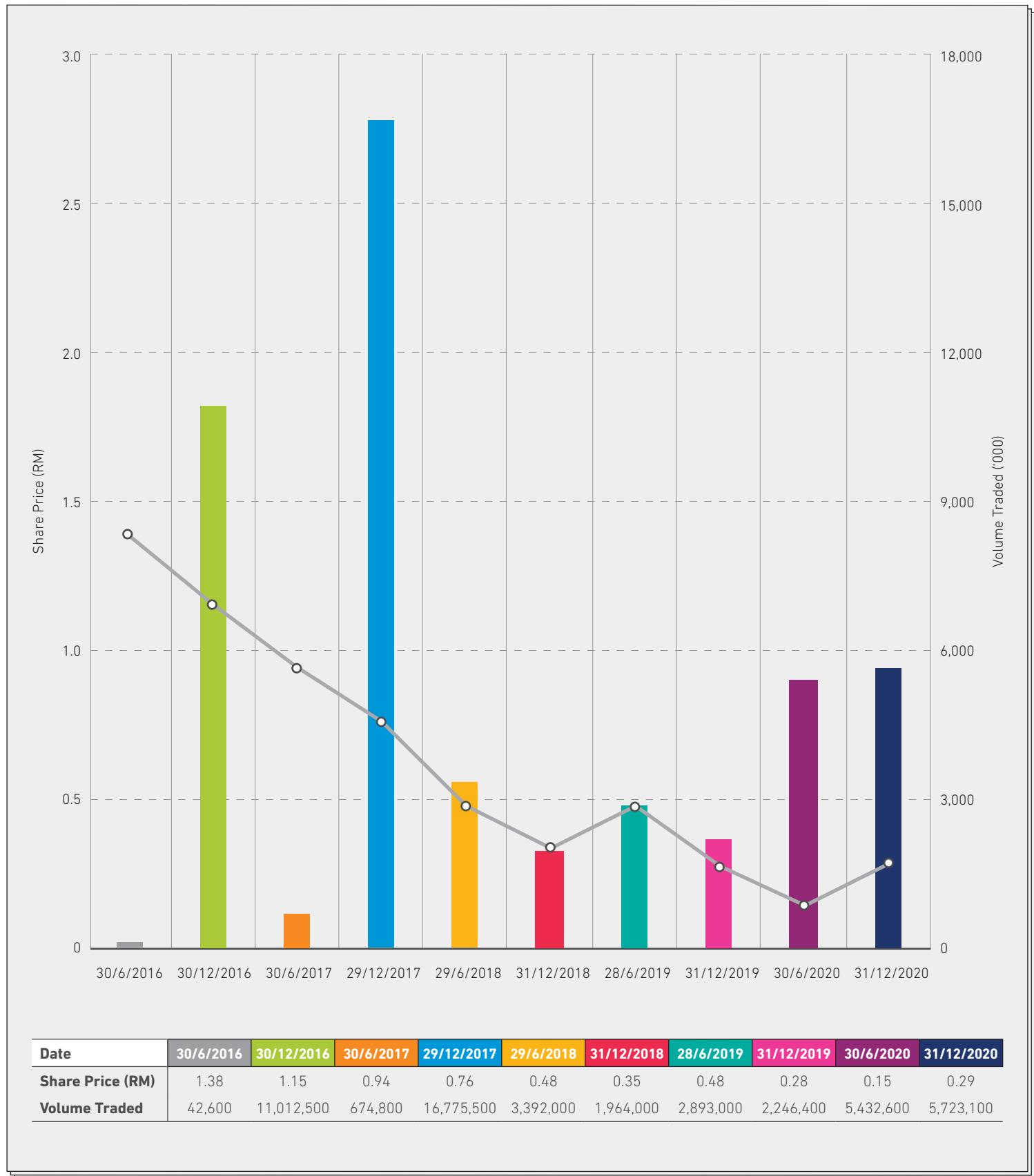
- * GFK Radio Audience Measurement Survey (Based on audience age 10+)
- ** Radioactive, Whooshkaa, YouTube (2020 digital listens from January 2020 - December 2020)
- *** Google Analytics (2020 page views from January 2020 - December 2020)
- **** Platforms Analytics, Sprout Social (Twitter, Facebook, YouTube, Instagram, TikTok, Weibo Combined)

Our Audiences

Digital & Commerce Data



Share Price Chart



Sustainability Statement



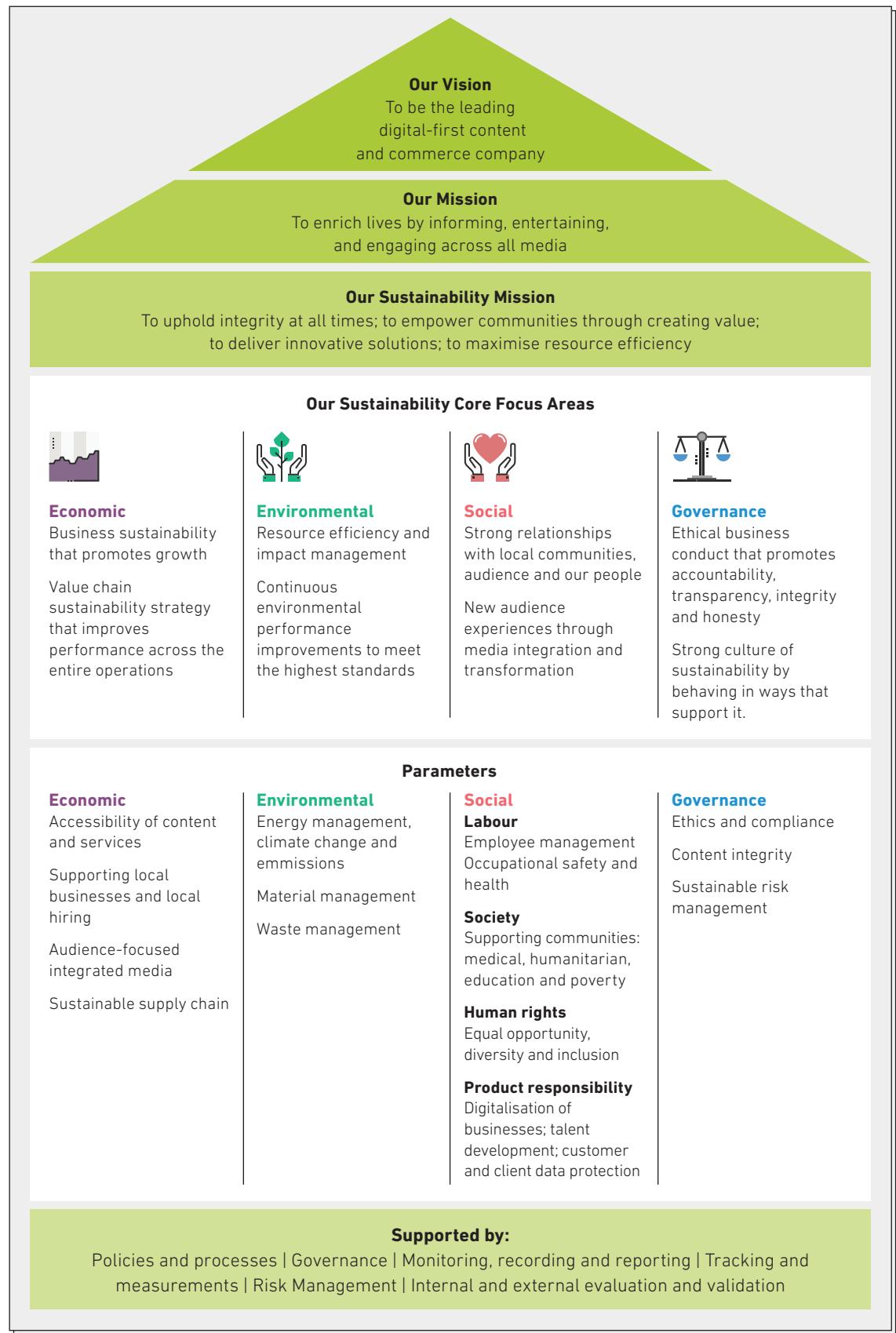
SUSTAINABILITY AT MEDIA PRIMA

The media industry moves quickly. New technologies and the growing use of media channels by global stakeholders create unique challenges to manage corporate reputation and risk, and also sustainability opportunities and strategies for engagement that deliver results.

SUSTAINABILITY STRATEGY

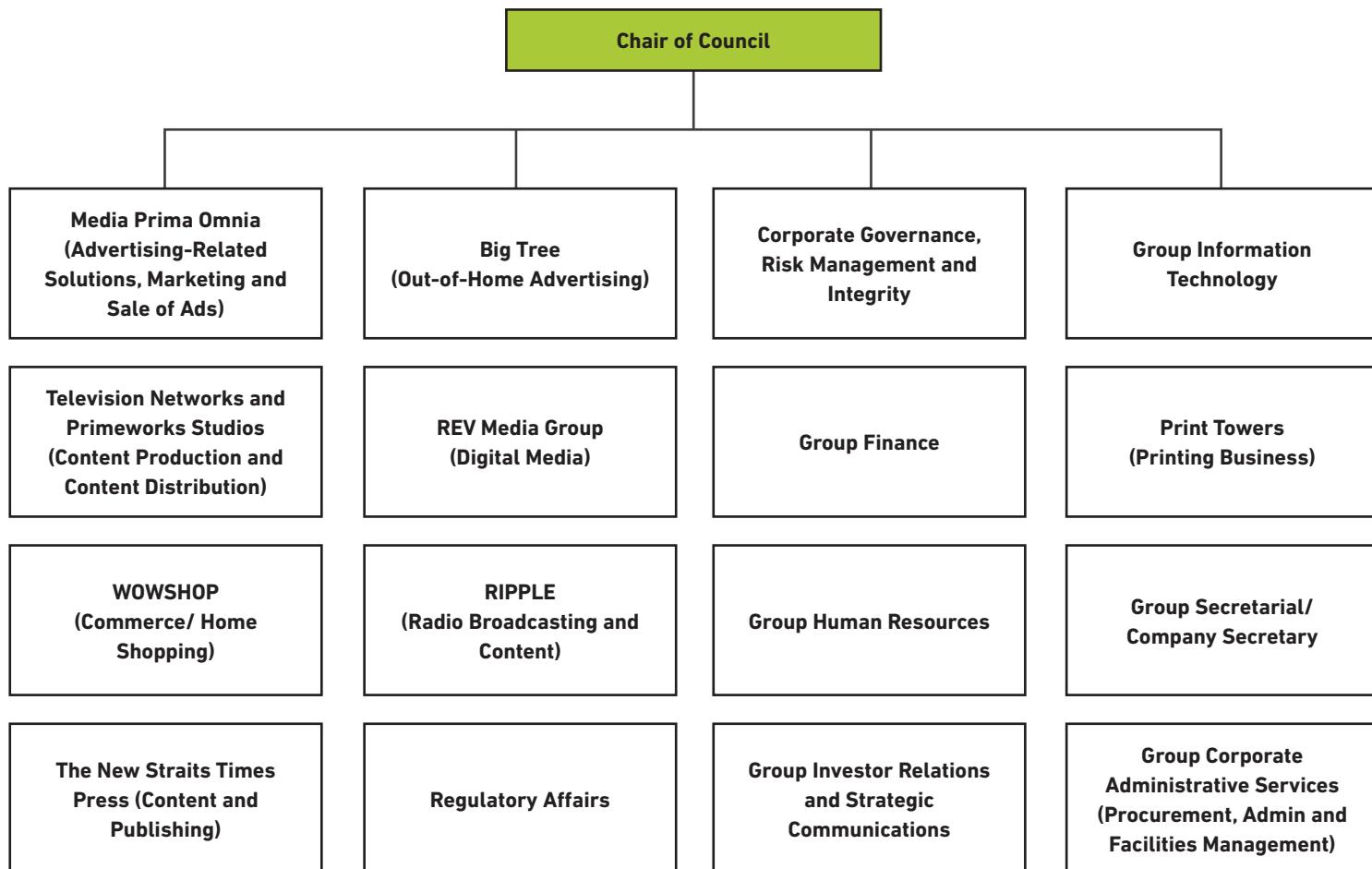
Our sustainability strategy is underpinned by good governance and a driving ambition to deliver positive economic, social and environmental impact through our integrated media offerings.

Categorising our strategies effectively helps form the basis for the future direction, actions and goals of Media Prima.



Sustainability Statement

SUSTAINABILITY COUNCIL



Sustainability is governed at the highest level by Media Prima's Board of Directors and senior management team. The Board is responsible for overseeing the financial performance as well as environmental, social and governance (ESG) aspects as part of the senior management team's day-to-day running of the company.

The council comprise members from various functions of the senior management team who represent the various functions within the Group.

Sustainability activities and targets are anchored and executed across all functions and operations. In 2020, Media Prima established a Sustainability Council that is responsible for overseeing and disclosing

the Group's sustainability initiatives and progress. This helps deliver solutions that meet societal needs and drives sales growth.

SUSTAINABILITY RISKS AND RISK MANAGEMENT

Constantly mitigating daily business risks is key to success. The Corporate Governance, Risk Management and Integrity Department (CGRMI) reviews all risks annually and constitutes core elements in the requirements expected from all responsible personnel. All senior managers are responsible for understanding the interactions between sustainability risks and other financial, legal and reputational risks to ensure that we are compliant and proactive at all times.

Impact of Cyber Threats**External cyber-attacks and threats**

Loss of personal and sensitive business data

Inaccessible or unreliable business services

Loss of reputation

Litigation

Serious leaks of sensitive personal data that threaten the privacy of users

**Impact of Fake News**

Increased penetration of social media

Fake news debate

Press ethics failures

Campaigns undermining mainstream media

Reduced trust in mass media channels

Lower trust levels may result in a decreased willingness to pay for content and the use of products produced by mainstream media.

**Fast-Changing trends**

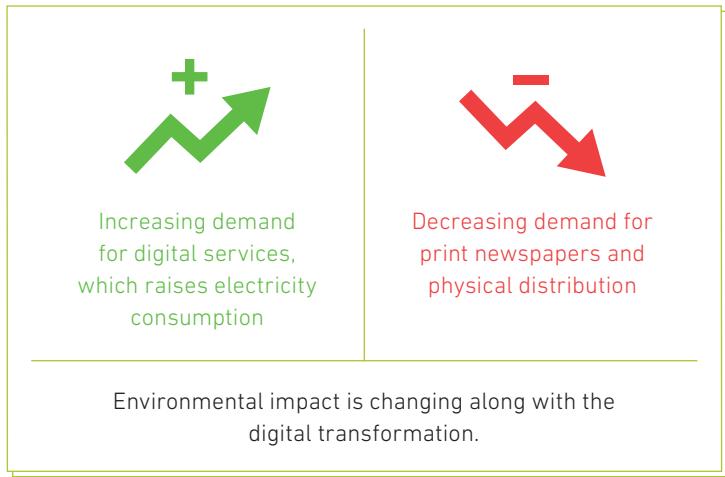
Consumers are increasingly using digital technology. Bombed by a multitude of choices, they seek tools to simplify their behaviour decisions. They look to their trusted communities and other experts when moving towards digital technology.

Meeting Customers' Expectations

Increasingly, customers are becoming intolerant of the friction that arises when silos within the business are unable to meet customer needs, effectively. As an integrated media company, we address changing customer expectations by delivering consistent customer experiences across all channels.

Sustainability Statement

Digital Transformation Creating Higher Electricity Consumption



Follow-Up Mechanism In Relation To New Regulations On Sustainability-Related Topics

The introduction of new laws and regulations for sustainability-related topics requires comprehensive follow-up mechanisms, such as gender pay gap analyses. Adopting effective systems to measure and follow up on such information is challenging across all our operations.

DEFINING SUSTAINABILITY AT MEDIA PRIMA

We are committed to measuring, improving, reporting and communicating sustainable value creation, effectively. Striving to create long-term benefits and added value for all stakeholders, we significantly reduce resource consumption and the impacts associated with the production process.

Materiality

We conducted a materiality assessment in early 2021 to identify sustainability topics that are most material to Media Prima. This process is an important tool for:

- Identifying the most relevant environmental and social priorities that are consistent with our business strategy; and
- Defining the contents of the sustainability report according to GRI Standards.



- 1 Significantly affect the economic, environmental and social performance of Media Prima
- 2 Substantially influence stakeholders' perceptions and decisions

The materiality analysis is two-fold; it considers the viewpoint of both Media Prima and its stakeholders.

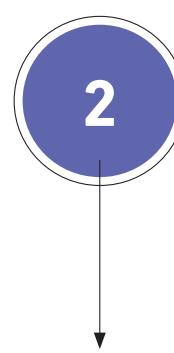
The analysis was performed by an external consultant to ensure impartiality and secure the anonymity of the respondents. The analysis was performed through a three-step process.

Materiality Study Methodology



Identifying all potential material topics of significance to Media Prima

Analysing corporate documents, external literature on changes in market scenarios and sustainability assessment questionnaires by rating agencies, sector studies, media and internet research, and multi-stakeholder standards.



Conducting a detailed materiality survey

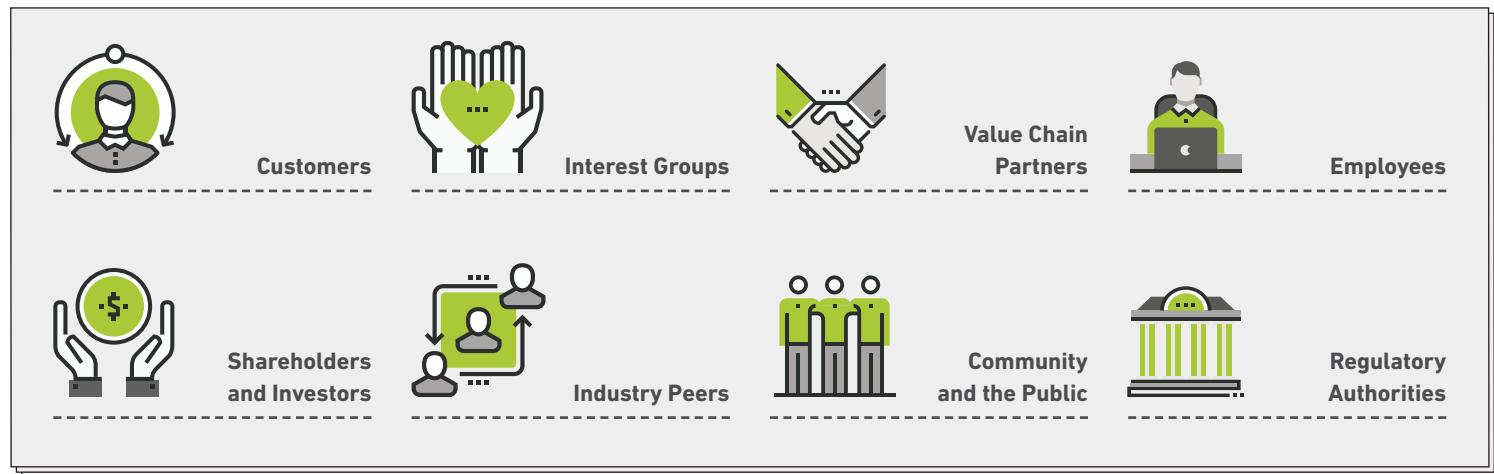
Involving all internal and external stakeholders, respondents were asked to rate the importance they placed on 17 economic, environmental and social issues. Representatives from the Board and senior management team completed a similar survey whose responses represented the views of Media Prima.



Presenting the materiality results to Board representatives

The Sustainability Council presented the materiality assessment results to Board representatives. The results included the implications of identified social and environmental trends and their potential impacts on the corporate strategy.

Stakeholders Contacted During the Materiality Survey



We asked stakeholders to rate the importance they placed on 17 economic, environmental and social issues. We used a five-point Likert scale for each respondent to indicate the importance they placed on each criterion from 'very unimportant' (1) to 'very important' (5). Unsurprisingly, the stakeholder groups were not represented equally with customers, community and public, and employees being the best represented. We calculated a separate average score for each of the 17 areas within each stakeholder group before obtaining an average from all stakeholder groups.

The same survey was completed by representatives from the Board and senior management team, whose responses represented the views of Media Prima. The materiality results are presented in the matrix below.



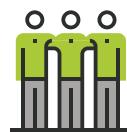
Sustainability Statement

VALUE FOR STAKEHOLDERS

Ongoing dialogue with people, businesses and wider society is central to the progress of sustainability programmes. We build long-lasting, value-creating partnerships with all stakeholders such as suppliers, business partners, employees, regulators, industry peers and the communities in which we operate. Contributing to the social and economic progress of local communities, we engage with these stakeholders on an ongoing basis.

Media Prima's Key Stakeholder Engagement

Stakeholder	Methods of Engagement	Areas of Interest	Addressing Their Interests
	Customers including viewers, users, listeners, readers, advertisers and shoppers <ul style="list-style-type: none"> Customer satisfaction surveys Customer complaints tools Social media Websites Materiality survey 	<ul style="list-style-type: none"> Viewing preference Content development Technical support Social discourse Privacy and freedom of expression Children's rights 	Customers and the competition are instrumental to our prospects. Sharing a common goal across the organisation, we give customers a value-added experience in society.
	Shareholders, Analysts and Investors <ul style="list-style-type: none"> Results announcement meetings Annual general meetings Regular updates and communication Investor roadshows Materiality survey Video conferencing and video calls 	<ul style="list-style-type: none"> Long-term profitability Sustainability matters Company's performance against targets Compliance with all relevant requirements 	We are committed to delivering economic value to our capital providers through a strong financial performance and our engagement methods.
	Interest Groups <ul style="list-style-type: none"> Non-governmental Organisations Industry Analysts 	<ul style="list-style-type: none"> Regular and ad-hoc meetings Official launches Events Open dialogue Interviews, press releases and websites Materiality survey 	Views of interest groups are included when considering the societal impact of operations.
	Industry Peers <ul style="list-style-type: none"> Conferences and meetings Industry workshops Networking events Materiality survey 	<ul style="list-style-type: none"> Our performance Compliance Development within the media industry 	We have an excellent record of collaborating with key partners and engage with thousands of industry players and other stakeholders every day. Sharing ideas and inspiring positive change allows us to continue making the greatest possible difference.



Stakeholder	Methods of Engagement	Areas of Interest	Addressing Their Interests
Value Chain Partners	<ul style="list-style-type: none"> • Third-party suppliers and vendors • Event sponsors <ul style="list-style-type: none"> • Contract bidding and procurement management • Training and talent management • Programme roadshows • Programme licensing negotiations • Materiality survey • Video conferencing and video calls 	<ul style="list-style-type: none"> • Fair procurement • Efficient supply chain management 	Supplier relationships are governed by our supplier code of conduct. Conforming to international ethical standards, these guidelines stipulate the conduct expected from suppliers in areas such as economic sustainability, environmental sustainability and social responsibility.
Community and the Public	<ul style="list-style-type: none"> • Financial and non-financial contributions • Philanthropic activities • Volunteerism programmes • Events and roadshows • Materiality survey 	<ul style="list-style-type: none"> • Social and economic development contributions • Socio-environmental impacts 	We strive to be a strategic partner and a positive force in our local communities.
Employees	<ul style="list-style-type: none"> • Employee satisfaction survey • Employee engagement programme • Internal communications such as newsletters, the intranet and updates • Events and functions • Employee grievance system • Materiality survey 	<ul style="list-style-type: none"> • Equal opportunities • Diversity • Career progression • Benefits and rewards 	Employees are key to our innovation-driven culture. They drive success and we are committed to being a good employer.
Regulatory Authorities	<ul style="list-style-type: none"> • Ministry of Communications and Multimedia Malaysia • Ministry of Home Affairs • Perbadanan Kemajuan Filem Nasional Malaysia (FINAS) • Malaysian Communications and Multimedia Commission (MCMC) • The Malaysian Communications and Multimedia Content Forum of Malaysia (CMCF) • Communications and Multimedia Consumer Forum of Malaysia (CFM) • Ministry of Finance (MoF) • Dewan Bahasa dan Pustaka • Department of Environment (DOE) 	<ul style="list-style-type: none"> • Regular communication • Reports and compliance • Periodic meetings • Regular environmental reporting to the DOE • Materiality survey 	We have established sustainability governance to manage risk, ensure compliance and operate with integrity at all times.

Sustainability Statement



ECONOMIC



The media and entertainment industry has been transforming rapidly for the last decade. Digital media emerged as an alternative distribution medium, dominating all sub-sectors such as print, advertising, esports, home shopping, radio and music. As a sustainable revenue generation platform, several media companies have been compelled to adopt digital strategies to survive in a fiercely competitive market. In 2020, Media Prima refocused and restructured its businesses in view of uncertain macroeconomic conditions and changes in the preferences of consumers and advertisers.

We have further digitalised our operations to mitigate the impact of the Covid-19 pandemic. Economic uncertainties resulting from the pandemic severely affected operations. However, we were also able to capture new business opportunities as an essential service provider during the Movement Control Order.

We embarked on the next phase of our business transformation exercise. Changing our business model and internal restructuring future-proofed the business and protected it against the disruptive changes in the global and local media industry.

In 2020, we consolidated all advertising functions for the Broadcasting, Publishing, Content Creation, and Digital business segments under Media Prima Omnia. Our 'Omnia Solution' allows clients to market their brands across a broad range of media assets through creative services and integrated marketing solutions.

Media Prima is home to some of the nation's highly-followed and most-valued media brands and content that must be protected. We are streamlining and aligning our business with the latest operational demands.

COVID-19 HAS UPENDED THE MEDIA INDUSTRY: THIS IS HOW WE COME BACK STRONGER

The fallout from Covid-19 is affecting every aspect of people's lives and livelihoods. Global poverty is forecast to increase for the first time since the 1998 Financial Crisis and no individual or business is immune.

Everyone in the media industry from content creators to distributors has been severely impacted. Although consumer demand for content has increased rapidly, advertising revenues have steeply declined. Society is consuming media like never before in history.

However, post Covid-19, media consumers will be acutely more discerning individuals following this vastly increased consumption. On-demand services have already changed the media landscape; consumers want complete control over when, how and in what quantities they consume content. Continuing with our business transformation efforts, our strategy is to grow and monetise our strong digital reach.

◀ Our Group Managing Director, Dato' Iskandar Mizal Mahmood, at the launching of Pelan Langkah Segera Ekonomi Industri Kreatif (Pelaksana).



ENVIRONMENT



◀
 Our headquarter at Balai Berita Bangsar.

Our vision is to contribute to sustainable development through measures that minimise the environmental impact of activities and promote respect for the environment.



Sustainability Statement

ENERGY EFFICIENCY AND REDUCTION

Media Prima has developed an Energy Management Programme for its printing business under Print Towers. The Energy Management Programme and Road Map is a fundamental blueprint to manage energy consumption throughout operations. Elements covered include HVAC systems and lighting areas.

Several initiatives are underway in various stages of completion such as:

- Replacing 400W metal halide perimeter lights with 902 LED alternatives. Currently, six units have been changed with others being replaced when they are faulty.
- Operations control such as scheduling air conditioning use according to employees' working hours.
- Monitoring compressed air use and waste.
- A zoning lighting system.
- Raising environmental conservation awareness through posters and emails.
- Increasing the effectiveness of maintenance by collaborating with suppliers and service operators.



Media Prima performed an energy audit and discovered that one Hitachi chiller consumed approximately 1.58 million kWh per annum. Replacing this chiller with a high-efficiency alternative brand would provide the same cooling with up to 500,000 kWh per annum less, which leads to less power loss and energy savings. This 188 U.S. Refrigeration Ton (USRT) chiller was upgraded to the latest 254 USRT model.

Energy Conservation Measures	CO ₂ Reduction (tonnes)
Replacing Hitachi chiller with a high-efficiency unit	382.7
LED retrofit for linear fluorescent lighting	201.1

In 2020, we focused on compiling and studying the efficiency of energy conservation efforts. The current study is scheduled for completion by the end of 2021.

The New Straits Times Press (M) Berhad's (NSTP) Energy Consumption Report is submitted to the Energy Commission twice a year to comply with its regulations.

Energy Consumption

The Analog Switch Over (ASO) exercise commenced in October 2019 and dismantling works were completed in September 2020. Hot FM radio is the only operational transmitter as the others have been decommissioned. Completing the ASO exercise for the majority of our transmitters led to significant electricity savings as presented in the table below.

Group Electricity Consumption (kWh)

	2018	2019	2020
Balai Berita Bangsar	7,542,460	7,060,092	6,567,427
Balai Berita Shah Alam	6,225,417	6,117,752	5,345,427
Balai Berita Prai	3,964,327	3,792,461	n/a*
Sri Pentas	7,360,452	5,640,167	6,298,389
Glenmarie Shah Alam	2,663,706	2,441,975	2,444,342
Sri Pentas 2	200,300	129,373	6,100
TV3's Transmitters	7,316,070	4,928,416	136,509
ntv7's Transmitters	2,861,285	2,487	n/a
8TV's Transmitters	1,077,824	777,993	92
TV9's Transmitters	1,119,754	851,207	n/a
Hot FM Radio's Transmitters	360,814	362,336	362,802
Chilled Water	11,563,540	8,124,951	10,680,457
Big Tree	6,459,455	5,614,182	3,013,275
Total	58,715,404	45,843,392	34,854,728

* Electricity consumption for Balai Berita Prai in 2020 is no longer reported as the property has been leased to Ultimate Print Sdn Bhd as our contract printers since October 2020

WATER MANAGEMENT

Water is also one of our basic resources. We understand the importance of water consumption and promote measures to improve facilities and raise awareness of its responsible use.

Group Water Consumption (m³)

	2018	2019	2020
Balai Berita Shah Alam	33,952	31,489	27,048
Balai Berita Prai	22,385	22,468	21,876
Balai Berita Bangsar	52,401	58,467	32,196
Sri Pentas	54,098	45,082	40,922
Total	162,836	157,506	122,042

WASTE MANAGEMENT

NSTP sends all (100%) of its paper waste to Asia Honour Paper Industries ("AHP") for recycling. The collection of other wastes including aluminium and cores are put to tender. Unsellable waste is disposed of according to environmental regulations.

The breakdown of newsprint waste sent to AHP in 2020 is presented below.

Solid Waste Disposal by Type (kg)

Newsprint Wastage	2018	2019	2020
Reel Ends	41,220	34,488	22,253
Run-up Spoilage	718,228	643,169	525,956
Empty Core	57,623	49,605	29,368
Newsprint Covers	57,477	55,637	31,980
Machine Waste (Scrap Paper)	79,147	75,830	52,994
Test Run and Mock-ups	23,706	1,415	2,341
Total	977,401	860,144	664,892

Scheduled waste at our printing plant consists of contaminated rags, drums, waste ink and chemical waste. This waste is collected, stored and disposed of by Department of Environment's ("DOE") licensed contractors including Kualiti Alam, Tex Cycle, 3R Quest, Nature Energy Products Sdn Bhd, Alivirgo Sdn Bhd and Alam Aliran Kualiti Sdn Bhd. A reduction in newsprint volume resulted in less scheduled wasted being generated and disposed of in 2020.

NSTP Scheduled Waste Disposal (MT) by Year

Waste Category	Waste Code	2018	2019	2020
E-Waste	SW109	0.2	0.44	0.11
Ink Sludge and Evaporator Sludge	SW416	4.63	2.14	1.18
Used Oil	SW305	3.69	1.64	-
Spent Hydraulic Oil	SW306	-	0.8	-
Mixed Solvent	SW322	0.88	0.41	0.32
Rotowash Carboy	SW409	2.94	0.96	0.80
Contaminated Empty Drums	SW409	0.37	-	-
Used Rags	SW410	14.96	4.95	3.44
Used Printing Blanket	SW410	-	1.39	0.99
Used Activated Carbon	SW411	3.11	3.31	3.89
Ink Waste	SW418	3.64	4.35	4.18
Filter Press Sludge	SW416	9.66	7.77	5.51
Total		44.08	28.16	20.42

CLIMATE CHANGE

A critical threat to sustainable development is the acceleration of climate change caused by the emission of greenhouse gases (GHGs) resulting from energy generation and consumption. Media Prima will continue to drive operational efficiencies and see opportunities to improve its environmental impacts by adopting new technologies and different ways of working.

Our emissions accounting is based on the internationally recognised GHG Protocol established by the World Business Council for

Sustainable Development ("WBCSD") and World Research Institute ("WRI"). Emissions accounting is based on the GHG Protocol classification of direct and indirect emissions.

Scope 1

We monitor and record all fuel purchases to calculate our GHG emissions from company-owned vehicles and gensets. Separate calculations are performed for petrol and diesel from Media Prima Group data.

CO₂ emissions from the consumption of fuel were derived from the emission factor published by the IPCC Guidelines for National Greenhouse Gas Inventories.

CO₂ Emissions (MT) from Company-Owned Vehicles and Gensets by Fuel Type



Scope 2

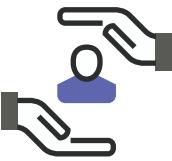
Our electricity and chilled water also produce indirect emissions. Energy has been calculated from Media Prima's electricity bills for our office buildings, TV stations, chilled water, printing press and billboards.

CO₂ emissions from the use of electricity were derived using the emission factor published by the Malaysian Green Technology Corporation for the Peninsular Grid.

CO₂ Emissions (MT) From Purchased Electricity



Sustainability Statement



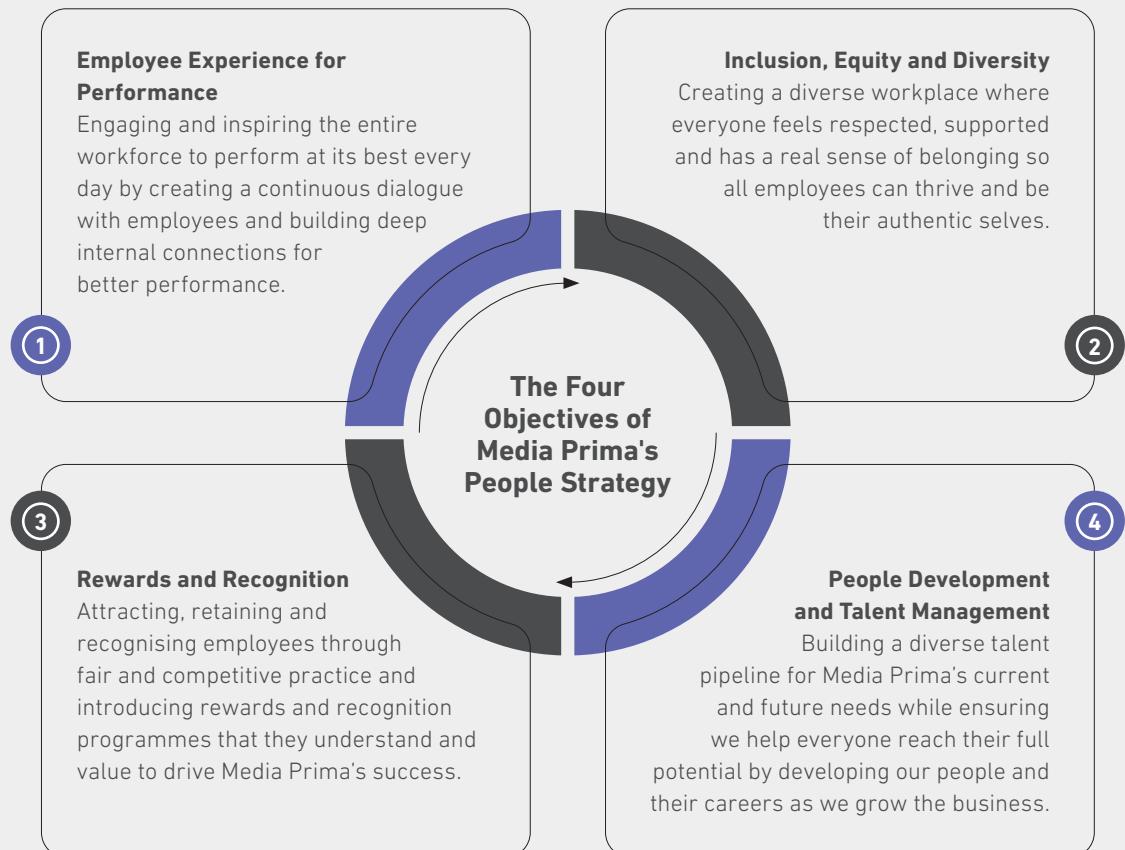
OUR PEOPLE



NST celebrated its 175th anniversary in 2020.

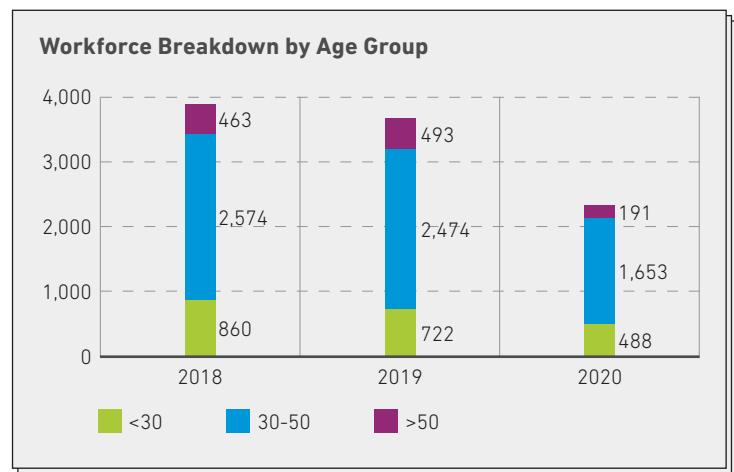
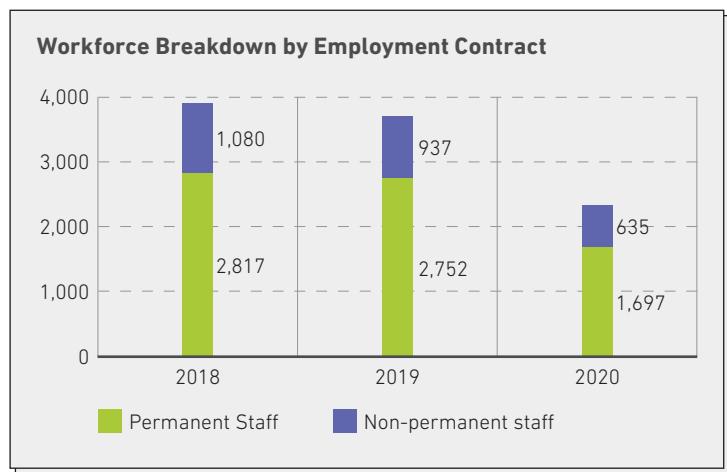
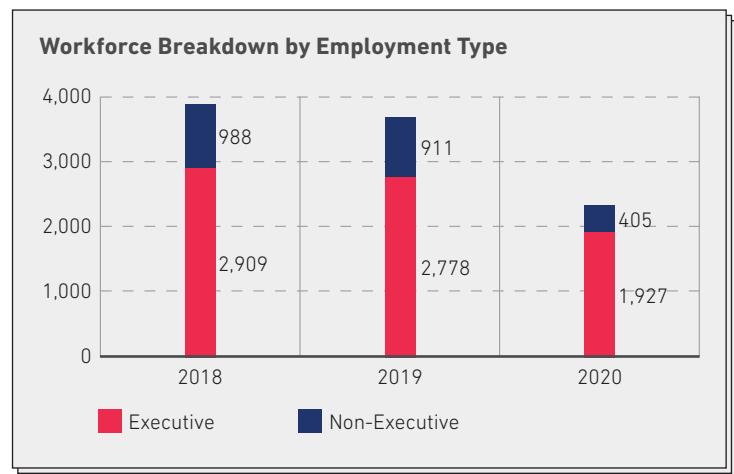
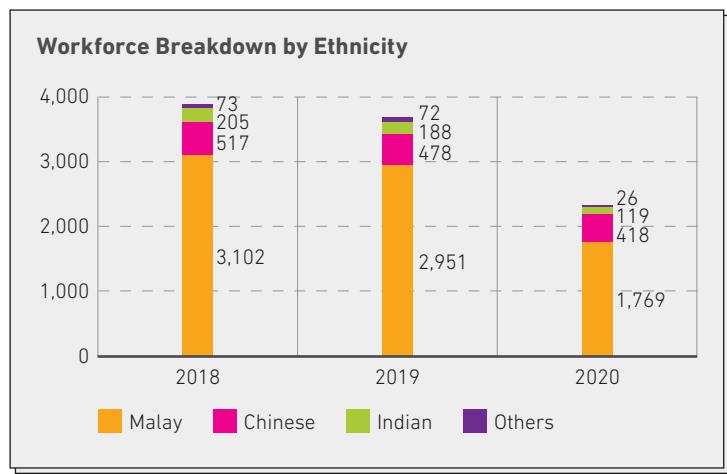
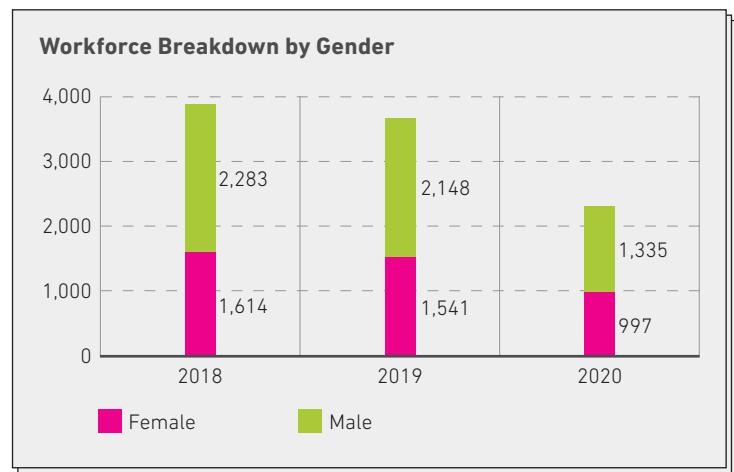
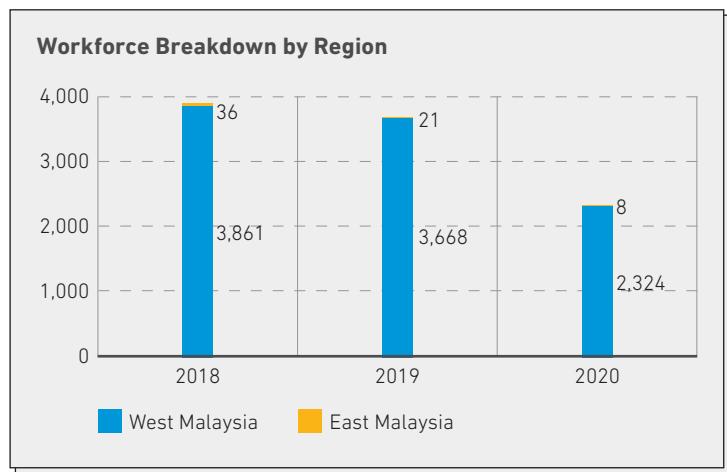
Media Prima is a fun and inspiring place and known as an employer of choice for valuing its people. Working with brilliant content and products, our work culture is collaborative, innovative and defined by a high level of trust.

Our approach is geared towards retaining the right mix of intellectual capital and cultural fit to propel the organisation through these challenging times. Media Prima's People Strategy continues to protect the business to ensure its success. Our People Strategy has four objectives.



DIVERSITY AND INCLUSION

All forms of discrimination are clearly prohibited in our Code of Conduct and Business Ethics. We recruit, hire, develop, promote and provide other conditions of employment without regard to race, colour, religion, national origin, gender, sexual orientation, marital status, age, disability or any other category protected by law. Employees' disabilities or religious beliefs and practices are accommodated whenever practical.



Sustainability Statement

SUPPORTING EMPLOYEES DURING THE COVID-19 CRISIS

The Covid-19 pandemic forced millions of Malaysian employees to work from home. Although this saves lives by limiting the transmission of Covid-19, it also significantly affects employees' well-being. During this pandemic, we employed a plethora of virtual engagement activities to boost morale.



Live Well Work Well

Our weekly Live Well Work Well e-newsletter provides employees with resources that support their mental and psychological wellbeing during the Movement Control Order (MCO). The newsletters address five topics of discussion.

Health

A tool to check one's physical and mental health

Retail therapy

Good deals on essential purchases

Healthy eating

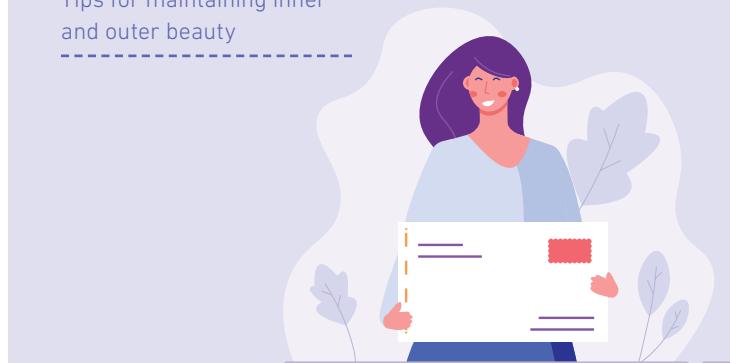
Quick healthy recipes and takeaway suggestions

Laughter is the best medicine

Sharing of funny videos: there is nothing like a full-belly laugh!

Fitness and beauty

Tips for maintaining inner and outer beauty



Media Prima held its first virtual Annual General Meeting in 2020.

Restrictions were lifted in stages and essential businesses were allowed to operate under strict Standard Operating Procedures (SOPs) during the Conditional Movement Control Order (CMCO) and Recovery Movement Control Order (RMCO). We boosted our engagement with employees to ease their insecurity.

We held a Townhall session at Balai Berita Bangsar and Sri Pentas on 11 August 2020 to brief employees on Media Prima's achievements and future business plan. Each business platform also held townhall sessions with their respective top management to discuss the impact Covid-19 has on the business, business plan and cost rationalisation.

We also introduced a communication channel that grants any employee direct access to the top management. The two-way Talk2GMD communication channel encourages employees to share their concerns directly with the top management. Employees may be invited to a one-to-one session with the Group Managing Director over tea should the need arise.

TRAINING AND DEVELOPMENT

Evolution is key during these challenging times. The pandemic caused a sudden, radical change to corporate training with a shift from learning in a traditional setting to electronic online formats. The learning landscape has changed in ways that will foster teaching new skills to employees, wherever they may be. Employees also adopted self-paced learning using carefully-prepared curated learning modules in the transition to our Learning and Development strategy.

The Learning and Development Team also held quizzes, discussions, a case study and sharing sessions to improve the understanding and effectiveness of learning. Publishing monthly Shots-of-Strategy learning newsletters also shared quick learning bites for leaders with limited time to attend online learning.

Media Prima Training Performance

Training Indicator	2018	2019	2020
Total number of courses	527	407	254
Total training man-days in 2020	7,583	7,327	4,728
Total investment on training and development	RM1,975,796.32	RM2,795,113.53	RM695,833.02
Total training hours per year per employee	16	17	16

HEALTH AND SAFETY

We are committed to providing a safe and healthy working environment for all employees, contractors and business partners. Media Prima's Occupational Safety and Health Committee comprises a chairman, a secretary and both management and employee representatives.

Media Prima works closely with the Department of Occupational Safety and Health (DOSH) to promote safety and good health among employees in the media and communication industry. We conduct internal and external audits to verify the effective implementation of the HSE Management System to ISO 14001 and OHSAS 18001 standards. We have also developed an HSE monitoring and measurement matrix for each business function to implement a corrective and preventative procedure for dealing with actual and potential nonconformity.

On 29 September 2020, Media Prima and other telecommunications players held Program Bengkel Sebaran HIRARC Sektor Komunikasi Tahun 2020 to share insights on safety issues and performance within the media and telecommunication industries.

Construction Site Safety

Our formalised Contractor Safety Procedure is the first document to be distributed to contractors before work commences. Big Tree received an Expressway Operation Safety Passport (EOSP) from the National Institute of Occupational Safety and Health (NIOSH) once its workers and contractors had completed the Basic Induction Safety Course and received their NIOSH safety passports.

100% of employees who work directly in the installation and construction of OOH panels have the:

Expressway Operation Safety Passport (EOSP)

Green Card Training by CIDB in good standing.



Media Prima Safety Performance

Indicator	2018	2019	2020
Injury rate for total workforce	1.5	0.9	0.8
Occupational diseases rate for total workforce	0	0	0
Lost day for total workforce	348	76	75
Absolute number of fatalities for total workforce	0	0	0

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SOCIETY



Thanks to GlaxoSmithKline Pharmaceutical Sdn Bhd and GlaxoSmithKline Consumer Healthcare Sdn Bhd, RM325,000 worth of PPE were donated to 14 General Hospitals in Malaysia.

Our businesses influence millions of people every day through our broadcasting channels, streaming platforms, print, radio networks and esports tournaments. We engage with audiences of all ages through an assortment of platforms and interactive spaces. Ultimately, we use our reach and competence to give back to the communities we interact with and contribute to wider society. We are committed to using all our media platforms to help society and actively contribute to its progress.

MEDIA PRIMA – NSTP HUMANITARIAN FUND

The Media Prima-NSTP Humanitarian Fund ("MPNHF") continues to thrive because of the generosity of all our donors who share the same humanitarian vision of what it means to be a responsible community.

Formerly known as the Malay Mail Charity, MPNHF has been in existence since 1991. The fund continues to offer financial aid to those who are unable to afford treatment for heart problems, leukaemia, congenital heart disease, osteogenesis Imperfecta (bone disease), cancer or the fitting of prosthetic limbs.

Our role is to highlight and raise awareness of the various humanitarian plights through our integrated media platforms, namely digital, newspaper, television, radio and out-of-home. All administrative costs of running the fund are borne by Media Prima. Working closely with hospitals, MPNHF identifies deserving cases and pays their treatment fees directly.

Total donations amounting to RM5.0 million were collected throughout 2020, of which RM3.4 million has been disbursed.

TABUNG TV3 BERSAMAMU

Since its inception in 2005, the TV3 Bersamamu Fund has attracted public participation and contributions through the popular television programme Bersamamu and related on-the-ground activities. Today, the TV3 Bersamamu Fund is within the ambit of the Humanitarian Fund as it continues to help those in need.

Viewing Bersamamu

Bersamamu television programme:

TV3 on Sundays at 6.30 pm

The TV3Malaysia Official YouTube Channel:

<https://www.youtube.com/c/tv3malaysia/bersamamu>

In 2020, 40 families were featured on the television programme and 12 families in capsules on TV3Malaysia Official YouTube Channel. The total reach increased due to active social media engagement on the TV3 Bersamamu official Facebook page.

BANTUAN KEMANUSIAAN COVID-19

The global Covid-19 pandemic has had a staggering impact on our daily lives. We stood firm and remain committed to playing our part in supporting the efforts by the Malaysian Government throughout this pandemic.

Initiated by the Media Prima – NSTP Humanitarian Fund, the Bantuan Kemanusiaan Covid-19 campaign was launched on 23 March 2020. It appeals to the public for donations to help medical, surgical and clinical teams, especially those in government hospitals, to break the infection chain of the deadly virus. The fund has so far facilitated the distribution of essential medical equipment, food, goods and personal protective equipment (PPE) worth approximately RM1.4 million to 20 hospitals including the Kuala Lumpur Hospital; Sungai Buloh Hospital; Tuanku Fauziah Hospital in Kangar, Perlis; and Sultan Aminah Hospital in Johor Baru.

A total of RM1,987,322.24 was collected as of 31 December 2020 of which RM1,807,850.00 has been disbursed.

**TABUNG BENCANA NSTP – MEDIA PRIMA**

Tabung Bencana NSTP-Media Prima was launched on 1 October 2009 to help victims of major catastrophes, both natural and man-made. Tabung Bencana NSTP – Media Prima was first established in response to a huge earthquake that occurred in Padang, Sumatra. It was formed to enable the general public to channel their contributions to the victims.

Efforts to improve the lives of these victims include providing medical assistance and rebuilding schools, libraries, playgrounds and other educational infrastructure. The total contributions collected during the year were RM104,571. A portion of the fund was used to purchase 700 hygiene kits (each worth RM150) for Jabatan Kebajikan Masyarakat ("JKM") Negeri Terengganu for their flood relief assistance in Terengganu.



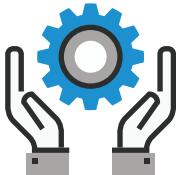
1.

[Handover of 700 hygiene kits to Social Welfare Department of Terengganu \(Jabatan Kebajikan Masyarakat\).](#)

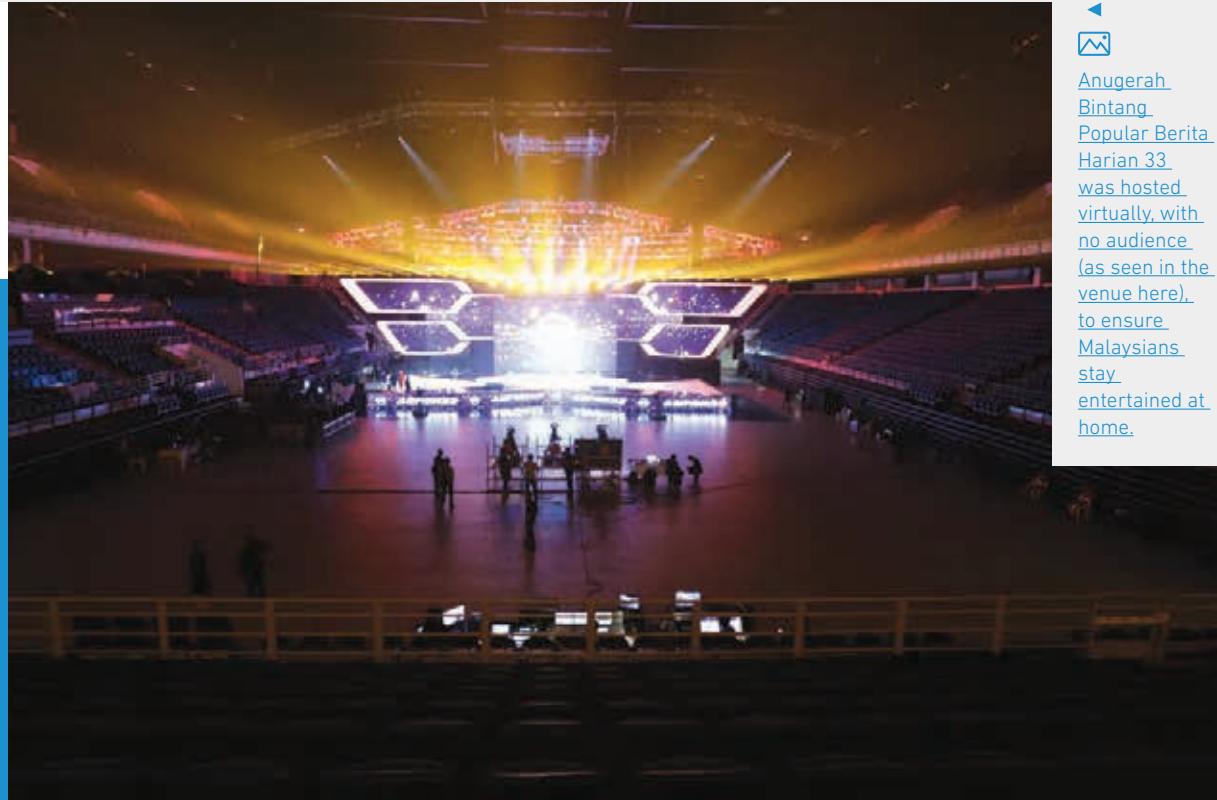
2.

[Two families appeal for donations through the Media Prima-NSTP Humanitarian Fund to assist with medical treatment for their children.](#)

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OPERATING RESPONSIBLY



 Anugerah Bintang Popular Berita Harian 33 was hosted virtually, with no audience (as seen in the venue here), to ensure Malaysians stay entertained at home.

As technology evolves and new opportunities arise, Media Prima is committed to delivering stakeholder value by capitalising on consumers' increased demand for e-commerce and digital content.

We adapt to the increasingly challenging and competitive operating environment by executing the business transformation plan that delivers new revenue streams while making structural changes that improve the efficiency of the organisation.

REACHING BEYOND THE DIAL TO (RE)CONNECT WITH LISTENERS

Radio has a history of adapting to new technologies to spread its signal farther and more efficiently to a larger audience. With the emergence of social media, traditional media outlets such as radio have been bypassed. Audiences favour non-traditional media channels to reach out to each other. RIPPLE has also gone beyond traditional channels by leveraging the digital platforms to distribute our content while reaching the target audience and meeting their demands.



Online streaming

We expanded the method of listening by making our radio stations available on global streaming platforms including YouTube and Joox.



Social media

Leveraged on the latest social media platform, TikTok, as part of the strategy for content distribution, promotions, reaching targeted and new audiences.



Catch-up content

In 2020, we introduced Catch-up content; bite-size audio content for all our radio stations were made available on various platforms including our website and app. In addition, we are partnering with Whooshkaa, a full-service audio-on-demand company to be the audio content distributor to multiple platforms such as Facebook Native Player, Spotify and Google Podcast.



MYTV

All of our radio stations can be listened to on a MYTV decoder starting 28 August 2020 as well as digital streaming and frequency.

BIG TREE BUILDS A LARGER FOOTPRINT FOR PREMIUM OOH PRESENCE BY DRIVING ONLINE ACTIVATION

Big Tree continued to expand its suite of integrated OOH solution for brands to raise awareness and drive a call to action.

Big+ bridges out-of-home solutions with online capabilities. Consumers are prompted through out-of-home advertisements and retargeted on their mobile devices.

A Larger Footprint for Premium Digital OOH Presence

CuBig Series @ Times Square

Strategically located along Jalan Imbi, a high-traffic road in the centre of the Kuala Lumpur Golden Triangle that serves audiences from the surrounding retail and business landmarks. This road is connected to other arterial routes namely Jalan Sultan Ismail and Jalan Bukit Bintang.

Digital Tower Series @ SPRINT

Targets affluent audiences driving along the busy SPRINT Highway towards the Kuala Lumpur City Centre from Damansara, Petaling Jaya and TTDI

Digital @ Tebrau

Tactically located along Jalan Tebrau, which serves as an integral link between Johor Bahru city and the North-South Expressway (NSE), this Digital OOH augments Big Tree's presence within the Southern Region of Peninsular Malaysia.



▲ [Our homeshopping segment rebranded as WOWSHOP following the Group's full acquisition of this segment](#)

MEDIA PRIMA ACQUIRED REMAINING STAKE IN HOMESHOPPING BUSINESS

We acquired the remaining stake in our home shopping segment, WOWSHOP. This acquisition made WOWSHOP a wholly-owned subsidiary as part of our strategy to grow this commerce segment. This transformation plan taps into the strong prospects of the home shopping and e-commerce industry.

WOWSHOP has become a successful household commerce brand since it was launched in 2016. Today, we have a strong presence on both broadcast and digital platforms. Our large broadcast reach — over 35% total audience share — has served as one of the key drivers to the success of its home shopping segment. WOWSHOP also leverages the Group's overall mass reach and digital capabilities to target audiences with data-driven content and strategically plan airtime and products.

TOGETHER WE ARE THE #1 MALAYSIAN DIGITAL MEDIA COMPANY

Media Prima Digital and REV Asia officially unveiled their new name on 29 July 2020: REV Media Group. Our corporate rebranding initiative will streamline business processes and functions, and provide better clarity and synergies as we continue to deliver the best solutions to our customers.

Based in Sri Pentas, Bandar Utama, REV Media Group represents over 40 top authority brands spanning several languages and platforms such as SAYS, OHBULAN!, Viralcham, NST Online, My Metro, BH Online, Mashable SEA and IGN SEA. Its extensive network reaches

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out to more than 15 million people each month, approximately 75% of Malaysia's total internet population. This amalgamation will solidify our position as the leading digital publisher in Malaysia.

EXPANDING DIGITAL PRESENCE THROUGH COLLABORATION

YouTube collaborated with its partners Media Prima, Muse, Astro and WebTVAsia on Super Stream Malaysia. This specially-curated set of local digital moments and free-to-view premium content was made available on YouTube Malaysia for a limited time.

This collaboration allowed the public to access a library of content including dramas, anime and movies from the country's top broadcasters and content networks.

We are now home to over 50 YouTube channels covering some of the best Malaysian content for news and entertainment. Our goal is to provide the best viewing experience and deliver content that matters the most to our audience. We constantly seek creative ways to cater to our base of almost 12 million subscribers on YouTube.

THE EVOLUTION OF ESPORTS

MyGameOn progressively develops esports by delivering the most relevant content as esports and the gaming industry continue to evolve. Participating in key events such as Level Up KL, Asia Comic Con and Hari Sukan Negara, MyGameOn also organised the largest nationwide esports campus event: Kejohanan E-sukan Kampus.

MyGameOn worked on several initiatives throughout 2020 such as MGO Lunchtime Cup, Borak MGO, Mingguan esports MGO and Yoodo Kejohanan E-sukan Kampus Semester 3. Developing a series of relevant content helped to keep its gaming community engaged as they were confined to their houses.

REV Media Group also signed a Memorandum of Understanding (MoU) with Universiti Teknologi Mara (UiTM). The collaboration aims to strengthen and encourage developments in academia, culture and research related to the esports sector. Following the MoU, REV Media and UiTM will conduct more in-depth research on esports application and digital technology to expand the esports industry.



1.
[REV Media Group and UiTM ink an MoU for esports collaboration.](#)

2.
[REV Media Group represents over 40 top authority brands spanning several languages and platforms.](#)



Investor Relations

Media Prima will remain in the forefront in terms of adopting best practices, ethics and governance for the benefit of our stakeholders, with the ultimate objective of enhancing shareholder value.

Engaging the Investment Community

We acknowledge the importance of an effective, transparent and regular communication with our investment community at large. Throughout 2020, we proactively engage with analysts, fund managers and investors, keeping them well-updated of our business performance, business strategy, as well as industry changes and outlook, whilst practising interactive and two-way communication.

In line with our commitment to transparent and effective communication, we maintain various communication channels to ensure that our stakeholders have a sound understanding of the Group's performance and position whilst we navigate a fluid business environment. We proactively engage with the investment community throughout the year to provide stakeholders with an in-depth understanding of our performance, business strategy and investment thesis. In February 2020, we hosted an analysts and investor briefing to present our full year 2019 results. Throughout the rest of the year, our dialogue with the investment community included teleconference calls and virtual one-on-one, and group meetings.

Our key financial results and operating metrics are released publicly to Bursa Securities on a quarterly basis. Our quarterly information releases consist of detailed information relating to financial statements, business performance analyses of the Group and its operating businesses, and the outlook for the following financial period.

Our investment community has instant access to our quarterly results presentations as these are promptly updated on our Investor Relations website upon release of our financial results. Analysts and shareholders also have direct access to our Investor Relations team, for queries they have on the Group's financial performance and position. In addition, we maintain regular communication with our analysts and institutional shareholders, via conference calls and one-on-one and group meetings.

Our corporate website www.mediaprime.com.my remains an important communication platform for Media Prima. Our dedicated Investor Relations website www.mediaprime.com.my/investor-center/ continues to be updated regularly to ensure that the latest corporate, financial and stock information is channelled to the investment community whilst providing them a convenient portal experience.

We are firmly committed to maintaining open and accessible channels of communication with the investment community at large. We have continued to be forthright and transparent because we believe that it is incumbent upon us to provide the necessary information and background of the challenges we face and the future in store.

We conduct an annual survey that aims to measure the quality and effectiveness of our dialogue with the investment community, and to assess the levels of satisfaction and effectiveness of Media Prima's Investor Relations activities enrolled throughout the year. Analysts, shareholders, and fund managers were invited to participate in the annual survey. This exercise is to seek feedback from the investment community with the aim of continuously improving our interactions with them.

Awards and Recognition

At the 2020 Malaysia Investor Relations Association (MIRA) Awards, we were awarded the Best IR Professional for Investor Relations (Small-Cap) and was nominated for Best Company for Investor Relations (Small-Cap) and Best Investor Relations Website (Small-Cap). Media Prima was also awarded Gold at the Australasian Reporting Awards 2020 for our 2018 Annual Report. We are a constituent of FTSE4Good Bursa Malaysia index and this is testament to our commitment to ESG practices.

These accolades have never been our end objective nonetheless it is rewarding to see our commitment and unwavering efforts acknowledged by the industry.

Media Prima is committed to maintaining high standards in the dissemination of relevant and material information on the Group in order to maintain effective, comprehensive, timely and continuing disclosure of information. Rest assured, Media Prima will remain in the forefront in terms of adopting best practices, ethics and governance for the benefit of our stakeholders, with the ultimate objective of enhancing shareholder value.

Board of Directors



Datuk (Dr) Syed Hussian bin Syed Junid

Independent Non-Executive Group Chairman

Datuk (Dr) Syed Hussian brings with him over 30-years of professional experience in the insurance and technology sectors, as well as an in-depth understanding of emerging technologies and expertise in corporate transformation.

He began his career with The American Malaysian Insurance Sdn Bhd in 1982. In 1986, he was promoted as the Penang Branch Manager. In 1989, he was promoted as the company's Senior Regional Manager covering Penang, Perlis, Kedah, and Perak.

Datuk (Dr) Syed Hussian had served as an Independent Non-Executive Director of

companies in the Media Prima Group. He was a Director of Merit Idea Sdn Bhd, and had served as a Director at Primeworks Studios Sdn Bhd, Media Prima Digital Sdn Bhd, Metropolitan TV Sdn Bhd ("8TV"), and Ch-9 Media Sdn Bhd ("TV9"). Datuk (Dr) Syed Hussian was formerly a Director of Tanjung Offshore Berhad, AWC Berhad, Efficient E-Solutions Berhad, and Amanah Raya Reit Berhad.

He is also currently the Group Chairman - Malaysia Operations for Western Digital. He is also serving as Director of all its subsidiaries including Western Digital Media (Penang), SanDisk Batu Kawan (Penang), Western Digital Substrate Johor and Kuching. Prior to this he

Age 60	Nationality Malaysian
Gender Male	
<ul style="list-style-type: none"> First appointment as Group Chairman-designate on 13 June 2019 Appointment as Group Chairman on 1 July 2019 Chairman of the Nomination and Remuneration Committee 	

held key positions within Western Digital such as the Senior Director in 2011 and earlier as Director of Asian Operations Support in 2000. In addition to his responsibility at Western Digital, Datuk (Dr) Syed Hussian is a Director of Finisar Malaysia Sdn Bhd (now known as II - VI), one of the biggest global multinational companies in Perak employing close to 4000 employees. Both WDC and II - VI are listed on the National Association of Securities Dealers (NASDAQ) US.

Over the years, Datuk (Dr) Syed Hussian's contribution to helping Malaysian students get access to quality education has been widely acknowledged by the country's leading varsities. He was appointed to the Board of University Malaysia Sarawak, an appointment supported by the Ministry of Higher Education and the Sarawak based university. He is also the CEO@Fakulti for Sultan Salahuddin Abdul Aziz Shah Polytechnic and Chairman of the institution's Industry Advisory Board since 2020. At Universiti Teknikal Malaysia Melaka (UTem), he is an Adjunct Professor and the CEO@Fakulti for the institution. His many contributions to UTeM was recognised in 2019 when he received the Honorary Degree of Doctor of Engineering Technology. Other roles in education include as the Advisor of Universiti Malaysia Kelantan Entrepreneurship Programme and Chairman of the WD-Ministry of Higher Education Campus Connect Program.

Datuk (Dr) Syed Hussian holds a Diploma in Insurance from the Association for Overseas Technical Scholarship (AOTS), in Tokyo, Japan, in 1988 and a Certificate in Insurance from Institut Teknologi MARA in 1982. He attended a Government Entrepreneurial Program at ASIA BUNKA Kaikan Tokyo in 1985. He also attended a Management Program course at Re GMBH in Cologne, Germany, in 1991.



Dato' Iskandar Mizal bin Mahmood

Group Managing Director

(Dato' Iskandar Mizal bin Mahmood resigned as Director effective 18 May 2021. The expiry of his contractual tenure as Group Managing Director of the Company is 30 September 2021)

Dato' Iskandar has over 30 years of experience with several companies ranging from multinationals to government-linked companies, spanning from investment banking to the technology sector. He brings this experience to assist the Group in its transformation and turnaround initiatives.

He currently serves on the Board of Theta Edge Berhad. He was previously a member of the Board of Globetronics Technology Berhad. From April 2017 to January 2019, he served as the Group Chief Executive Officer.

("CEO") and a board member of Granatum Ventures Sdn Bhd, the holding company of Khazanah Nasional Berhad's creative and media sector, with a portfolio of operations including Iskandar Malaysia Studios, content creation and content financing/investment. He played a key role in turning around the company and bringing international content production companies into Iskandar Malaysia Studios in 2018. He was one of the key figures in the production of Paskal The Movie, one of Malaysia's highest grossing box office movies, where he was an Executive Producer.

Age 54	Nationality Malaysian
	Gender Male
<ul style="list-style-type: none"> First appointment as Group Executive Director on 1 October 2019 First appointment as Group Managing Director on 1 April 2020 <p style="font-size: 0.8em; color: #800080; margin-top: 5px;"> <i>(Dato' Iskandar Mizal bin Mahmood resigned as Director effective 18 May 2021. The expiry of his contractual tenure as Group Managing Director of the Company is 30 September 2021)</i> </p>	

Dato' Iskandar was also a Member of the Lembaga Tabung Haji Investment Panel from 2016 to 2018. He served as the Managing Partner and Director of Ethos Consulting Sdn Bhd, a consulting firm that specialises in strategy, value creation and investment advisory. He was formerly the Group CEO of Pos Malaysia Berhad, and Group Director of DRB-HICOM Berhad.

He served as the Managing Director and CEO of Manipal Education Malaysia Sdn Bhd, founding CEO and a Board member of the Malaysian Biotechnology Corporation Sdn Bhd, and CEO and a Board member of Malaysian Technology Development Corporation Sdn Bhd. Dato' Iskandar has held several senior management positions and portfolios within Malaysia Airport Holdings. He served leading financial institutions including Bumiputra Merchant Bankers Berhad and Commerce International Merchant Bankers Berhad. He began his career with Arthur Andersen & Co in 1989.

Dato' Iskandar was previously a member of the Boards of Media Prima's subsidiaries including Sistem Televisyen Malaysia Berhad, Synchrosound Studio Sdn Bhd, Big Tree Outdoor Sdn Bhd, Primeworks Studios Sdn Bhd, REV Media Group (formerly known as Media Prima Digital), Media Prima Omnia Sdn Bhd, Print Towers Sdn Bhd and The New Straits Times Press (Malaysia) Berhad.

Dato' Iskandar graduated from Boston University, United States of America, with a Bachelor of Science in Business Administration, majoring in Accountancy.

Board of Directors



Mohd Rafiq bin Mat Razali

Group Executive Director

Rafiq holds a Bachelor of Science (First Class Honours) in Actuarial Science from Pennsylvania State University. He has comprehensive experience in business development and strategic planning. His track record includes establishing start-up companies related to digital and information technology.

His career in information technology began with Maxis Berhad where he held various positions that included responsibilities in the

International Data Wholesale division and the Corporate Strategy division.

In 2011, Rafiq was part of the team which formed Groupon Malaysia. Groupon is an e-commerce company based in the United States, connecting customers with local merchants in more than 28 countries including Malaysia. He was promoted as Groupon's Country General Manager for Malaysia in 2013, following an impressive run of performance by the outfit.

Age 36	Nationality Malaysian
Gender Male	
<ul style="list-style-type: none">First appointment as Group Executive Director on 18 February 2021Appointed as Chief Executive Officer of REV Media Group on 15 April 2016	

In 2015, Rafiq and a group of investors established KFit, now known as Fave, a Malaysian start-up company that provides a fitness subscription service and a hyperlocal marketplace for the best food and service experiences in the city. KFit/Fave today boasts operations in six countries in the Asia Pacific and has raised funding from multiple venture capital funds including Sequoia Capital, one of the world's leading venture capital firms.

His appointment as Group Executive Director is in line with the Media Prima's commitment to further consolidate its position as the largest integrated media group in Malaysia, providing the Group with numerous opportunities to introduce innovative solutions to fulfill the ever-changing needs of its customers.

Within the Media Prima Group, he sits on the Board of Media Prima Digital Sdn Bhd.



Lydia Anne Abraham

Independent Non-Executive Director

Anne holds a B.A. in Mathematics from Essex University, United Kingdom, and a Higher National Diploma in Computer Studies from Plymouth Polytechnic, United Kingdom.

Within the Media Prima Group, she was previously the Chairman of Media Prima Digital Sdn Bhd and a member of The New Straits Times Press (Malaysia) Berhad.

She currently sits on the Board of Metrod Holdings Berhad and is a committee member

of Pertubuhan Pelindung dan Penyelamat Kanak-kanak Selangor dan Kuala Lumpur (Protect and Save the Children Association of Selangor and Kuala Lumpur also known as P.S. The Children). She was appointed as a Trustee on the Board of Tun Fatimah Hashim Women's Leadership Centre UKM.

Anne has over 20 years of experience in the Information Technology industry, starting out as a technical trainer in 1990, moving her way up to become the Managing Director for Cisco's Malaysian operations in 2008, a

Age 63	Nationality Malaysian
	Gender Female
<ul style="list-style-type: none"> • First appointment as Independent Non-Executive Director on 19 November 2013 • Chairman of Risk Management Committee • Member of Audit Committee 	

position she held for three years. Prior to that role, she was the Country Manager for the SAP Malaysian Operations for over two years.

Holding leadership positions in two of the largest global technology corporations allowed her to be involved in strategic and significant technology discussions, recommendations and implementations across both government and corporate sectors in Malaysia. Her career track includes positions in Baan Asia Pacific, Oracle Malaysia and MCSB Systems Malaysia.

In the course of her corporate career, she has always been a strong advocate for women's advancement into leadership positions. In August 2011, she decided to leave the corporate world to establish a consulting and training organisation committed to changing perceptions and mindsets on the significance of balanced gender leadership. Hence the establishment of LeadWomen Sdn Bhd in November 2011. As founder and Chair of LeadWomen, Anne plays a pivotal role in guiding the company's vision and mission towards developing and advancing women into leadership and board positions across the corporate sectors.

Board of Directors



Raja Datuk Zaharaton binti Raja Zainal Abidin

Senior Independent Non-Executive Director

Raja Datuk Zaharaton holds a Bachelor Degree in Economics from University of Malaya and a Masters in Economics in 1979 from the University of Leuven, Belgium. She served as a civil servant for 34 years. Her last post in the Government was as Director General of the Economic Planning Unit specialising in policy analysis and financial evaluation.

Age 72	Nationality Malaysian
Gender Female	
<ul style="list-style-type: none">First appointment as Independent Non-Executive Director on 13 August 2015Redesignation as Senior Independent Non-Executive Director on 12 June 2018Chairman of Option CommitteeMember of Nomination and Remuneration CommitteeMember of Risk Management Committee	

Upon retirement, the Government of Malaysia appointed her as Chairman of Technology Park Malaysia Corporation Sdn Bhd from January 2006 to December 2008. Subsequently, the Government appointed her as Chairman of Ninebio Sdn Bhd from January 2009 for a two year period. From June 2014 to April 2017, she served as Chairman of Global Maritime Ventures Berhad, a subsidiary of Bank Pembangunan Malaysia Berhad.

Within the Media Prima Group, Raja Datuk Zaharaton was previously the Chairman of Big Tree Outdoor Sdn Bhd and a member of the Primeworks Studios Sdn Bhd.

She is a Director of her family-owned company, Kumpulan RZA Sdn Bhd. She is also an Independent Non-Executive Director of Taliworks Corporation Berhad, Yinson Holdings Berhad and ARECA Capital.



Mohd Rashid bin Mohd Yusof

Independent Non-Executive Director

Age
65

Nationality
Malaysian

Gender
Male

- First appointment as Independent Non-Executive Director on 12 June 2018
- Chairman of Audit Committee
- Member of Nomination and Remuneration Committee

Mohd Rashid is a Fellow Member of the Association of Chartered Certified Accountants ("ACCA") and the Malaysian Institute of Accountants.

Within the Media Prima Group, Mohd Rashid was previously the Chairman of Synchrosound Studio Sdn Bhd and a member of the board of Sistem Televisyen Malaysia Berhad.

He currently sits on the Boards of Scicom (MSC) Berhad, Velesto Energy Berhad and Standard Chartered Bank Malaysia Berhad.

His previous positions in Petronas were Vice President of Supply Chain and Risk Management, Managing Director of Engen Limited in South Africa and as the Head of Group Internal Audit, Group Treasury and Group Accounting.

Board of Directors



Abdullah bin Abu Samah

Independent Non-Executive Director

Abdullah is currently serving as a Director on the Board of Kulim (Malaysia) Berhad ("Kulim"), Chairman of Extreme Edge Sdn Bhd (a subsidiary company of Kulim), Director of Al-'Aqar Healthcare Reit, Al-Salam Real Estate Investment Trust and Damansara Reit Managers Sdn Bhd.

He has over 32 years of experience servicing clients from various industries and large multinational companies. This includes companies in oil and gas, banking

and finance, construction and property development, hotel and hospitality, palm oil plantation, manufacturing, and trading sectors.

In addition to external audit, Abdullah has significant experience in reviews of prospective financial information for purposes of initial public offerings, rights issues and bond issues. He has led many audit assignments in financial due diligence reviews on behalf of acquirers.

Age 55	Nationality Malaysian
Gender Male	
<ul style="list-style-type: none"> First appointment as Independent Non-Executive Director on 11 March 2021 Member of Audit Committee 	

Abdullah began his career with KPMG Malaysia from 1988 to 2020. In 1993, he was seconded for two years to KPMG London to focus on the financial services sector. He served as a Partner in the Audit Division from 1997 until his retirement in 2020. He also served as a member of Exco for KPMG Malaysia from 2014 to 2018.

He graduated with a Master of Business Administration from the University of Washington, Seattle, USA. He also holds a Bachelor of Science in Business Administration from the University of the Pacific, California, USA. He is a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.



Dato' Sivananthan A/L Shanmugam

Independent Non-Executive Director

Dato' Sivananthan A/L Shanmugam holds a Bachelor's Degree from the University of Malaya. He was the Managing Director of Malaysia, Sri Lanka and Maldives for Nokia, a role in which he oversees the operations of the three Asian markets. An experienced veteran of over two decades within the IT and Telecommunications field, Dato' Sivananthan throughout his career had developed a deep understanding of technologies i.e Industry 4.0. namely the internet of things (IoT), managed services, cloud technology, artificial

Age 53	Nationality Malaysian
Gender Male	
<ul style="list-style-type: none"> First appointment as Independent Non-Executive Director on 15 April 2021 Member of Nomination and Remuneration Committee Member of Risk Management Committee 	

intelligence (AI), digital transformation, e-commerce, automation and 5G.

Prior to his role with Nokia, Dato' Sivananthan was the Chairman and Country Vice President of Tech Mahindra and before that, he held senior leadership roles at major IT firms such as IBM Malaysia, Sapura as well as leading telco firms including Swedtel Southeast Asia, Alcatel Network and Maxis. From 2017 to 2019, he has been a Committee Member of Outsourcing Malaysia, an outsourcing initiative coordinated by Malaysia's national ICT industry association, PIKOM.

Dato' Sivananthan area of expertise are in technology, business management, start-up, leadership, strategic planning, digital transformation and corporate turnaround.

Board of Directors



Hisham bin Zainal Mokhtar

Independent Non-Executive Director

(Hisham bin Zainal Mokhtar resigned effective 1 April 2021)

Hisham obtained his Bachelor of Science and Master of Science in Mathematics from Illinois State University, in 1984 and 1986 respectively. He obtained his Master of Business Administration from Massachusetts Institute of Technology ("MIT"), under the Sloan Fellows Program at the MIT Sloan School of Management in 2010. He is also a chartered financial analyst ("CFA") charterholder.

Within the Media Prima Group, Hisham was previously Chairman of Sistem Televisyen Malaysia Berhad.

He has been an action-learning Business Coach at Asia School of Business since August 2018. He is presently on the boards of Telekom Malaysia Berhad, Principal Asset Management Berhad, and Principal Islamic Asset Management Sdn Bhd.

Age 59	Nationality Malaysian
Gender Male	Gender Male
<ul style="list-style-type: none"> First appointment as Independent Non-Executive Director on 27 February 2019 (<i>resigned effective 1 April 2021</i>) Member of Nomination and Remuneration Committee (<i>resigned effective 1 April 2021</i>) Member of Risk Management Committee (<i>resigned effective 1 April 2021</i>) Member of Option Committee (<i>resigned effective 1 April 2021</i>) 	

He began his career in the insurance industry at Universal Life and General Insurance in 1987. He joined William M Mercer Sdn Bhd in 1988 before becoming an investment analyst with Crosby Research (M) Sdn Bhd in 1991. He joined Barings Research (Malaysia) Sdn Bhd in 1994 and UBS Research (Malaysia) Sdn Bhd in 1996. He became a financial consultant at Sithe Pacific LLC in 1998, a regional independent power producer, and later ventured out to set up a boutique investment advisory firm, KE Malaysia Capital Partners Sdn Bhd.

He served Tricubes Berhad as an Executive Director and Vice President of Corporate and Financial Planning from April 2001 to April 2005. He then joined Khazanah Nasional Berhad in May 2005 and later served as a Director in the Investments Division from April 2009 to June 2014. He was Chief Operating Officer of Astro Overseas Limited from July 2014 until June 2018 and after that a Director in the Group Managing Director's Office at Malaysian Industrial Development Finance Berhad from July 2018 until March 2019.



Mohamad bin Abdullah

Non-Independent Non-Executive Director

(Mohamad bin Abdullah resigned effective 18 February 2021)

Mohamad bin Abdullah is the Chief Executive Officer of Perspective Lane (M) Sdn Bhd ("PLSB"), a private investment holding company that owns Padiberas Nasional Berhad, Tradewinds Plantation Berhad,

Central Sugars Refinery Sdn Bhd, Tradewinds Corporation Berhad, Altel Group Sdn Bhd and a number of other private companies within the Media, Printing, Property and Hospitality Industries.

Age 59	Nationality Malaysian
	Gender Male
<ul style="list-style-type: none"> • First appointment as Non-Independent Non-Executive Director on 1 October 2019. <i>(resigned effective 18 February 2021)</i> • Member of Audit Committee <i>(resigned effective 18 February 2021)</i> 	

Concurrently, he is the Managing Director of Percetakan Nasional Malaysia Berhad. He is also Chairman for both MPH Group (M) Sdn Bhd and TMR Media Sdn Bhd. In addition to being a director and an EXCO member in all PLSB group of companies, he holds directorships in several other private companies within the Al-Bukhary group of companies.

Mohamad graduated from the University of Bath, United Kingdom, with a Masters in Business Administration (MBA). He is also an accountant by profession.

Within the Media Prima Group, Mohamad was a Director of Print Towers Sdn Bhd.

Mohamad has over 30 years of experience in auditing, corporate senior management and investment banking involving cultural and business transformation, joint ventures, mergers and acquisitions, capital raising and structuring in various industries including public transport, hotel, facility management, real estate, healthcare, logistics, media/printing, plantation, rice and sugar industries.

Notes:

Other than as disclosed:

1. *None of the Directors have any conflict of interest with the Company.*
2. *None of the Directors have any convictions for offences within the past five years.*
3. *None of the Directors have any public sanctions and/or penalties imposed on them by the relevant regulatory bodies during FY2020.*
4. *None of the Directors have any family relationships with any Directors and/or major shareholders of the Company.*

Senior Management Team



Dato' Iskandar Mizal bin Mahmood

Group Managing Director

(Dato' Iskandar Mizal bin Mahmood resigned as Director effective 18 May 2021. The expiry of his contractual tenure as Group Managing Director of the Company is 30 September 2021)

Age
54

Nationality
Malaysian

Gender
Male

- First appointment as Group Executive Director on 1 October 2019
- First appointment as Group Managing Director on 1 April 2020

(Dato' Iskandar Mizal bin Mahmood resigned as Director effective 18 May 2021. The expiry of his contractual tenure as Group Managing Director of the Company is 30 September 2021)

Dato' Iskandar has over 30 years of experience with several companies ranging from multinationals to government linked companies, spanning from investment banking to the technology sector. He brings this experience to assist the Group in its transformation and turnaround initiatives.

He currently serves on the Board of Theta Edge Berhad. He was previously a member of the Board of Globetronics Technology Berhad. From April 2017 to January 2019, he served as the Group Chief Executive Officer ("CEO") and a board member of Granatum Ventures Sdn Bhd, the holding company of Khazanah Nasional Berhad's creative and media sector, with a portfolio of operations including Iskandar Malaysia Studios, content creation and content financing/investment. He played a key role in turning around the company and bringing international content production companies into Iskandar Malaysia Studios in 2018. He was one of the key figures in the production of Paskal The Movie, one of Malaysia's highest grossing box office movies, where he was an Executive Producer.

Dato' Iskandar was also a Member of the Lembaga Tabung Haji Investment Panel from 2016 to 2018. He served as the Managing Partner and Director of Ethos Consulting Sdn Bhd, a consulting firm that specialises in strategy, value creation and investment advisory. He was formerly the Group CEO of Pos Malaysia Berhad, and Group Director of DRB-HICOM Berhad.

He served as the Managing Director and CEO of Manipal Education Malaysia Sdn Bhd, founding CEO and a Board member of the Malaysian Biotechnology Corporation Sdn Bhd, and CEO and a Board member of Malaysian Technology Development Corporation Sdn Bhd. Dato' Iskandar has held several senior management positions and portfolios within Malaysia Airport Holdings, as well as served leading financial institutions including Bumiputra Merchant Bankers Berhad and Commerce International Merchant Bankers Berhad. He began his career with Arthur Andersen & Co in 1989.

Dato' Iskandar Mizal sits on the Board of Media Prima's subsidiaries including Sistem Televisyen Malaysia Berhad, Synchrosound Studio Sdn Bhd, Big Tree Outdoor Sdn Bhd, Primeworks Studios Sdn Bhd, Media Prima Digital Sdn Bhd, Media Prima Omnia Sdn Bhd (formerly known as Able Communications Sdn Bhd), Print Towers Sdn Bhd (formerly known as Berita Harian Sdn Berhad) and The New Straits Times Press (Malaysia) Berhad.

Dato' Iskandar graduated from Boston University, United States of America, with a Bachelor of Science in Business Administration, majoring in Accountancy.

Notes:

Other than as disclosed:

- None of the members of the Senior Management Team have any conflict of interest with the Company.
- None of the members of the Senior Management Team have any convictions for offences within the past five years.
- None of the members of the Senior Management Team have any sanctions and/or penalties imposed on them by any regulatory bodies during FY2020.
- None of the members of the Senior Management Team have any family relationships with any Directors and/or Major Shareholders of the Company.



Mohd Rafiq bin Mat Razali

Group Executive Director

Chief Executive Officer, REV Media Group

Age 36	Nationality Malaysian	Gender Male
<ul style="list-style-type: none"> First appointment as Group Executive Director on 18 February 2021 Appointed as Chief Executive Officer of REV Media Group on 15 April 2016 		

Rafiq holds a Bachelor of Science (First Class Honours) in Actuarial Science from Pennsylvania State University. He has comprehensive experience in business development and strategic planning. His track record includes establishing start-up companies related to digital and information technology.

His career in information technology began with Maxis Berhad where he held various positions that included responsibilities in the International Data Wholesale division and the Corporate Strategy division.

In 2011, Rafiq was part of the team which formed Groupon Malaysia. Groupon is an e-commerce company based in the United States, connecting

customers with local merchants in more than 28 countries including Malaysia. He was promoted as Groupon's Country General Manager for Malaysia in 2013, following an impressive run of performance by the outfit.

In 2015, Rafiq and a group of investors established KFit, now known as Fave, a Malaysian start-up company that provides a fitness subscription service and a hyperlocal marketplace for the best food and service experiences in the city. KFit/Fave today boasts operations in six countries in the Asia Pacific and has raised funding from multiple venture capital funds including Sequoia Capital, one of the world's leading venture capital firms.

His appointment as Group Executive Director is in line with the Media Prima's commitment to further consolidate its position as the largest integrated media group in Malaysia, providing the Group with numerous opportunities to introduce innovative solutions to fulfill the ever-changing needs of its customers.



Rosli bin Sabarudin

Acting Group Chief Financial Officer

Age 45	Nationality Malaysian	Gender Male
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Rosli Sabarudin was appointed as Acting Group Chief Financial Officer of Media Prima Berhad ("Media Prima") on 24 April 2020. He previously served as Group General Manager, Finance (Financial Reporting, System and Operations).

Rosli received his Accounting degree from Victoria University of Wellington, New Zealand, in 1998. Having started his career with Tenaga Nasional Berhad ("TNB") in 1998, Rosli brings with him more than 20 years of experience in Accounting, Finance and Management in the utility and media industry, which include statutory financial reporting, financial operations, procurement, financial systems and asset management. One of his major strengths is his strong interest in process improvement and reengineering.

He spent 14 years in TNB assuming various roles with his last appointment as Financial Controller for TNB Remaco Sdn Bhd. He has also covered the role of Customer Service Manager, State Finance Officer, SAP System Implementer and Change Management Consultant in the CEO's office entrusted with major transformation initiatives for the Group during his stint in TNB.

In 2012, Rosli joined Media Prima. His scope of responsibilities with the Group included Financial Controller for Television Networks (TV3/STMB) and Primeworks Studio. He played an instrumental role in the setting up of CJ Wow Shop, a joint venture in 2016 between Media Prima and South Korea's CJ ENM O Shopping Division.

Being a qualified accountant, Rosli is a Fellow with the Association of Certified Chartered Accountants (FCCA, UK) and a member of the Malaysian Institute of Accountants ("MIA").

Senior Management Team



Datuk Michael Chan

**Chief Executive Officer,
Media Prima Omnia**

Age
51

Nationality
Malaysian

Gender
Male

- Joined Media Prima Berhad as Group Director of Commercial in November 2019
- Appointed as Executive Director/CEO of Media Prima Omnia in January 2020

Datuk Michael was the former CEO of MYTV Broadcasting where he led the team to successfully migrate the Malaysian national broadcasting infrastructure from analogue to digital, considered to be the region's biggest digitalisation effort to date.

He was previously the CEO of Bloomberg TV Malaysia, where he created the country's first business focused TV station working alongside the international Bloomberg team.

Datuk Michael started his career as a Copywriter at Ogilvy & Mather, where he won

numerous awards before switching to the client side as a marketer.

His first job as a Client was at Mutiara Telecom, where he led the efforts to rebrand the company to Digi, embedding his love for yellow in the brand's DNA.

Datuk Michael then moved on to broadcasting at Astro where he headed interactive TV services, before joining the Feel Good team at ntv7 as VP for Brand Marketing. He continued in the industry at Bernama TV as its CMO, before heading back to telecommunications with Maxis, where he launched several high profile sports marketing events, working closely with FIFA for the World Cup, and FAPL for the English Premier League.

Datuk Michael attended the Executive Development Program at Harvard Business School in 2002, and has been an Endeavor Mentor since 2013.



Dato' Khairul Anwar Salleh

**Chief Executive Officer,
Media Prima Television Networks**

**Chief Executive Officer,
Primeworks Studios**

Age
55

Nationality
**Singaporean with
Malaysian PR**

Gender
Male

- First appointed as Chief Executive Officer, Media Prima Television Networks, on 1 August 2020

Dato' Khairul is responsible for the overall operations of Media Prima Television Networks and Primeworks Studios, and to strengthen its core businesses while pursuing new business opportunities in-line with Media Prima's long-term growth strategies. Dato' Khairul oversees Media Prima's TV3, ntv7, 8TV, TV9, tonton, WOWSHOP and Primeworks Studios.

He graduated from Curtin University of Technology, Western Australia, in 1992 with a Bachelor of Fine Arts (Sculpture). He also holds a Diploma in Painting from La Salle College of Arts in 1989. Besides that, he has also attended Harvard Premiere Business Management Program and Astro Insead Strategic Leadership Program.

Dato' Khairul has over 25 years of experience across the media and entertainment industry ranging from the arts, television and stage production, to content management in both entrepreneurial and corporate environments. He most recently served as Vice President of Malay and Nusantara Content Business of Astro Malaysia Holdings Berhad from March 2010.

He currently chairs The Cultural Economy Development Agency ("Cendana"), Creative Content Association Malaysia ("CCAM"), and Communications and Multimedia Content Forum of Malaysia ("CMCF").



Mustapha Kamil bin Mohd Janor

Executive Director,
News and Editorial Operations

Chief Executive Officer,
The New Straits Times Press
(Malaysia) Berhad

Age
60

Nationality
Malaysian

Gender
Male

- Appointment as Executive Director of News and Editorial Operations on 2 October 2018

Mustapha Kamil is the Executive Director of News and Editorial Operations, Media Prima Berhad, as well as the Chief Executive Officer of The New Straits Times Press (Malaysia) Berhad ("NSTP").

He is responsible for the overall news and editorial operations of the Group and provides strategic direction and oversight to the Group's news operations.

Having been with the company for many years, Mustapha began his career in NSTP as a Cadet Reporter in 1989 and has since held various positions within the company.

In 1994, he attended the Advanced Journalism course, The Thomson Foundation in Cardiff, Wales when he was a Reporter with the New Straits Times' ("NST") Business Times. In 1999, he served as NSTP's Foreign Correspondent in New York, U.S, and three years later returned to serve as the Managing Editor of Business Times in 2001. Mustapha Kamil was promoted as NST's Group Editor in 2013 until his resignation in May 2016.



Mohamad Shukor bin Ariffin

Chief Executive Officer,
Big Tree Outdoor Sdn Bhd

Age
50

Nationality
Malaysian

Gender
Male

- Joined Big Tree in 2003 as Manager, Corporate Affairs and Business Development
- Appointed as Chief Executive Officer of Big Tree on 16 November 2017

Shukor has demonstrated strong leadership and contributed significantly towards Big Tree's rapid growth to become Malaysia's leading Out-of-Home ("OOH") Advertising Solutions provider.

He was promoted to General Manager, Business Development and Corporate Planning, in September 2009 and later, General Manager of Operations in October 2011. In June 2017, he was made the Chief Operating Officer of Big Tree.

An advocate for the utilisation of the latest technologies, Shukor revolutionised the Malaysian OOH industry and Big Tree's offerings by bridging the experience of OOH media with online capabilities, extending reach, impact and recall.

He has also been responsible for managing and developing activities concerned with the production of cutting-edge media formats that allow advertisers to not only reach consumers effectively but also cascade brand messages in the best possible way. Big Tree has significantly transformed conventional advertising panels into those that utilise digital screens, halo panels, ambient media, retail displays and many other formats.

At Big Tree, Shukor led several key projects for the company which includes the implementation of OOH advertising solutions for the Malaysian Mass Rapid Transit ("MRT") and Light Rapid Transit ("LRT") lines. These transit lines engage the lucrative, young and online-driven demographics across the Klang Valley with extensive daily reach.

Shukor graduated from the University of Bradford, United Kingdom, with a Bachelor of Science (Honours) in Economics. His other appointments prior to Big Tree include PLUS Malaysia Berhad, and Azlan and Associates Consulting. He also sits on the Board of Big Tree.

Senior Management Team



Seelan Paul

Chief Executive Officer of RIPPLE

Age
46

Nationality
Malaysian

Gender
Male

- Joined Media Prima on 1 August 2005
- Appointed as Chief Executive Officer of RIPPLE on 1 August 2011

Seelan is responsible for the overall operations of RIPPLE. As one of the pioneer members, Seelan has demonstrated strong leadership and steered the company towards substantial growth over the past 15 years.

Seelan was first exposed to the media industry as a radio announcer prior to his role as Network Manager at Media Prima Radio Networks ("MPRN"). In 2009, he helmed as Chief Operating Officer and subsequently, Chief Executive Officer in 2011. Seelan, an MBA graduate of Cardiff Metropolitan University, has played an integral role in setting up Hot FM, One FM and Kool FM.

A big believer in delivering great content across multiple platforms, Seelas has spearheaded the team through multiple transformations over the digital era in order to be relevant to the current audience. Seelan led the team to innovate and RIPPLE has been among the first in the region to launch an audio programmatic platform, integrating Whatsapp as part of daily communication tool with audience and collaboration with global streaming players such as Spotify and Joox.

In recognition of his contribution towards the local radio industry, Seelan was appointed President of Commercial Radio Malaysia in October 2015. He was a Committee Member of the National Football Development Programme Malaysia.



Yang Hyun Kim

Chief Executive Officer,
WOWSHOP Sdn Bhd (Formerly Known As
MP CJ ENM Sdn Bhd)

Age
48

Nationality
Republic of Korea

Gender
Male

Yang Hyun Kim was appointed as Chief Executive Officer of WOWSHOP Sdn. Bhd. (formerly known as MP CJ ENM Sdn. Bhd) which was first established as a Joint Venture with CJ ENM in April 2016, and later wholly owned by Media Prima in September 2020.

With his comprehensive experience, in-depth knowledge and business acumen ranging from media, retail, homeshopping, e-commerce to consumer lifestyle sector, he has played a pivotal role to diversify Group's revenue source and bring in commerce and B2C revenue into the Group, and drive digital transformation through e-commerce and digital commerce.

Before joining the Group, since 1999, he was attached to CJ Group, Global Lifestyle Company, which had 4 core business divisions, Food and Food service, Bio, Logistics and Retail, Entertainment and Media, headquartered in Korea. With over 20 years of experience with CJ Group, he extended his foot print from broadband, Pay TV, OTT to Retail, Homeshopping, e-Commerce, and is well-versed in media, broadband, commerce,

digital, customer's lifestyle business, and its convergence and innovative transformation.

During his tenure with CJ ENM Commerce Division (formerly known as CJ O Shopping), Global leading home shopping network, he was responsible for incubating, developing global business, and providing strategy consultation for India, China, Vietnam, Thailand, The Philippines, Turkey, Mexico business, and most recently initiated and led the Malaysia Homeshopping Project, and embarked the WOWSHOP business.

During his tenure with CJ Hello, No. 1 Cable TV operator in Korea, later acquired by LG U Plus in 2019, he was appointed to execute Global M&A, dispatched in India in 2012, and led a whole M&A project to acquire one of leading Pay TV operators, from the market research, feasibility study, acquisition deal structuring, due diligence, term-sheet and final negotiation among others.

Moving forward WOWSHOP to another level and keeping its market position incomparable, he will be dedicated to customer centric operation, compelling content creation, value-creating merchandising, high level of operational excellence and consistent digital transformation whilst delivering on its vision "The Foremost customer-oriented content commerce platform in Malaysia" with the tagline of "Hidup Mesti Ada Wow!"

Editorial Team



1 Kamaruddin Mape
Head of News and Current Affairs,
Media Prima Television Networks

2 Ahmad Lokman Mansor
Group Editor, New Straits Times

3 Saidon Idris
Group Editor, Berita Harian

4 Husain Jahit
Group Editor, Harian Metro



5 Evelyn Tiong
Head of Content, Vc Networks,
REV Media Group

6 Laila Zain
Head of Content, SAYS,
REV Media Group

7 Noraniza Azmi
Senior Head of Sponsored
Malay Content,
REV Media Group



Editorial Team

1

Kamaruddin Mape

**Head of News and Current Affairs,
Media Prima Television Networks**

Age: 52

Nationality: Malaysian

Gender: Male

Kamaruddin was appointed as Head of News and Current Affairs, Media Prima Television Networks, in June 2020.

Kamaruddin joined TV3 as a trainee Broadcast Journalist in 1994 and was later absorbed as an Executive Broadcast Journalist in 1995. He has held various positions within the company including Deputy News Editor, News Gathering, in July 2006; Editor in January 2016 and Chief Editor in February 2019.

He graduated with a Bachelor in Mass Communication (Broadcasting) from Institut Teknologi MARA.

2

Ahmad Lokman Mansor

Group Editor, New Straits Times

Age: 53

Nationality: Malaysian

Gender: Male

Ahmad Lokman Mansor was appointed as the Group Editor of New Straits Times ("NST") on 1 January 2020.

Lokman holds a Bachelor of Arts in Mass Communication and Media Studies (from University of Toledo). He started his association with The New Straits Times Press in April 1993 as a reporter for the Business Times.

His last post at the Business Times was as a Deputy Editor. In June 2009, he was promoted as the New Media Editor for NST.

In November 2012, Lokman was made Associate Editor of Op-Ed where he managed and planned the editorial and commentary pages of the newspaper on a daily basis.

He also held several key positions for NST including Associate Editor of Current Affairs & Digital (2015 – 2016), Associate Editor of Business, Op-Ed & CBT (2016-2018) and Convergence Editor of Business (2018-2019). He was then promoted to Executive Editor, Business, Op-Ed and Digital of NST.

In 2003, he was promoted to BH Assistant Economics Editor, before assuming the post of Economics Editor in 2004.

In January 2014, he was appointed as BH Associate Editor, Current Affairs, overseeing the features, economics and foreign desk as well as writing Opinion Leaders pieces for the newspaper. He was promoted a year later as BH Senior Specialist Writer, Economics and Current Affairs.

In January 2018, he was promoted to be the Senior Executive Editor, Convergence, NSTP. A year later, he was made the Senior Executive Editor, BH.

3

Saidon Idris

Group Editor, Berita Harian

Age: 59

Nationality: Malaysian

Gender: Male

Saidon Idris was appointed as the Group Editor of BH on 1 January 2020.

An economics graduate from University of Malaya, Saidon started his career in journalism with the Malaysian National News Agency (BERNAMA) in 1991.

After his stint at the news agency covering general, politics and crime assignments, he joined Utusan Malaysia in 1993 as a business journalist.

Saidon joined The New Straits Times Press ("NSTP") in 1997 as a Senior Writer for Dataniaga, a business magazine published by the group. A year later, he was transferred to BH's news desk.

4

Husain Jahit

Group Editor, Harian Metro

Age: 54

Nationality: Malaysian

Gender: Male

Husain Jahit is the Group Editor of Harian Metro. He was appointed to the position on 16 March 2020.

Prior to this, Husain was appointed as the Executive Editor, Commercial, of Harian Metro in February 2019. He was Harian Metro's Editor for Business and Information Technology/ Online before being promoted as Associate Editor for Features.

Husain started his career with The New Straits Times Press in January 1990 in the Advertisement Department as a Marketing Assistant. He was responsible for designing advertisement graphics for Beriteks, a teletext service introduced by TV3 in 1985.

He was later transferred to Berita Harian in 1996 as an IT/Online journalist before joining Harian Metro in 2007, also as a reporter for IT and the Online Desk.

Among his achievements in journalism were the Gold Award in Best Greentech Journalism Award under the Ministry of Energy, Greentech and Water in 2012, and first place for IT News Reporting in Bahasa by Sony Malaysia 2011.

Beside being a gadget freak, he is also actively involved in outdoor activities such as hiking and mountain biking. He already conquered more than 20 mountains inside and outside Malaysia. Among others Mount Kinabalu (Malaysia), Annapurna Base Camp (Nepal), Mount Fujiyama (Japan), Mount Fansipan (Vietnam), Mount Syue (Taiwan) and Mount Rinjani (Indonesia).

Husain holds a Diploma in Computer Science (Programming) from Universiti Teknologi MARA (UiTM).

5

Evelyn Tiong

Head of Content, Vc Networks, REV Media Group

Age: 30

Nationality: Malaysia

Gender: Female

Evelyn started her career in Legion Media in 2014 and was a pioneer of the Viralcham editorial team. She leads REV Media Group's Vc Networks team.

She joined Media Prima in 2017 and led the editorial team at a very young age. Under her leadership, the company further expanded

its Chinese Network business with social platforms Let's Travel and Girls Daily. All platforms play a significant role in conveying the latest and trendy news in Malaysia's Chinese community.

Evelyn graduated from Tunku Abdul Rahman University College with a Diploma in Graphic Design in 2010.

6

Laila Zain

Head of Content, SAYS, REV Media Group

Age: 34

Nationality: Malaysian

Gender: Female

Born and raised in Switzerland, Laila Zain returned to Malaysia in 2004 to study at Limkokwing University. She graduated with a Bachelor of Arts (Honours) from Curtin University, Australia in 2008, specialising in Film and Television and Advertising.

Laila first entered the media industry as a news presenter on Fly FM, and later went on to become the morning show producer.

She left Media Prima to explore the world of Internet marketing as the Head of Content at a digital start-up. During her time there, she led multiple million-dollar projects and worked alongside leading authorities in online wealth creation and entrepreneurship.

In 2016, Laila joined SAYS as the Branded Content Lead. As the team lead, she optimised the workflow and put systems in place, created

and produced content, and guided the direction and growth of sponsored campaigns.

Following a promotion in 2019 as the Head of Content (Editorial and Sponsored), Laila now provides leadership to the entire SAYS team. From evaluating the company's operations to developing strategies and plans, Laila believes in putting people first. The growth and success of an individual leads to the growth and success of the team and organisation.

7

Noraniza Azmi

Senior Head of Sponsored Malay Content, REV Media Group

Age: 31

Nationality: Malaysian

Gender: Female

Noraniza graduated from Universiti Teknologi Mara (UiTM), Shah Alam with a Master in Mass Communication in 2016.

She joined the company in 2014 as a news writer and was appointed as Head of Department for Malay Sponsored Content team in 2017. She was among the pioneers of campaign content planning in OHBULAN! and Sirap Limau.

Currently, as a Senior Head of Department, she oversees all digital platform campaign content planning under Media Prima, including Harian Metro, Berita Harian, Utusan and Kosmo!

Her core expertise includes content strategy, building brands, campaign planning and servicing client's campaigns.

Corporate Governance Overview Statement

THE BOARD OF MEDIA PRIMA BERHAD IS PLEASED TO PRESENT MEDIA PRIMA BERHAD'S CORPORATE GOVERNANCE OVERVIEW STATEMENT ("OVERVIEW STATEMENT") FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020.

The Board of Directors of Media Prima Berhad is committed towards achieving excellence in corporate governance and acknowledges that the prime responsibility for good corporate governance lies with the Board. The Board is fully committed to ensuring that the highest standards of corporate governance are practised throughout the Group as a fundamental part of discharging its responsibilities to create, protect and enhance shareholders' value.

The Board believes that good corporate governance is fundamental in achieving the Group's objectives. In order to ensure that the best interests of shareholders and other stakeholders are effectively served, the Board continues to play an active role in improving governance practices and monitor the development in corporate governance within the Group.

The overview statement demonstrates the Board's commitment towards high standards of corporate governance practices, values and ethical business conducts in consistent and complies with the following best practices and guidelines:

- 1) Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia); and
- 2) Malaysian Code of Corporate Governance 2017 (MCCG) published by the Securities Commission.

The commitment and efforts of the Board and Management in sustaining high standards of corporate governance and investor relations have been substantiated by the following accolade received in 2020:-

AWARDS	ORGANISER
Australasian Awards 2020 – Gold Award for Media Prima Berhad Annual Report	Australasian Reporting Awards
Constituent Company of FTSE4Good Bursa Malaysia Index Series	Bursa Malaysia
Best Investor Relations Professional (Small Cap) - Sharifah Nur Adibah Aljufri (Media Prima Berhad)	2020 Malaysia Investor Relations Association (MIRA) Awards

MCCG'S PRINCIPLE A - BOARD LEADERSHIP & EFFECTIVENESS

BOARD RESPONSIBILITIES

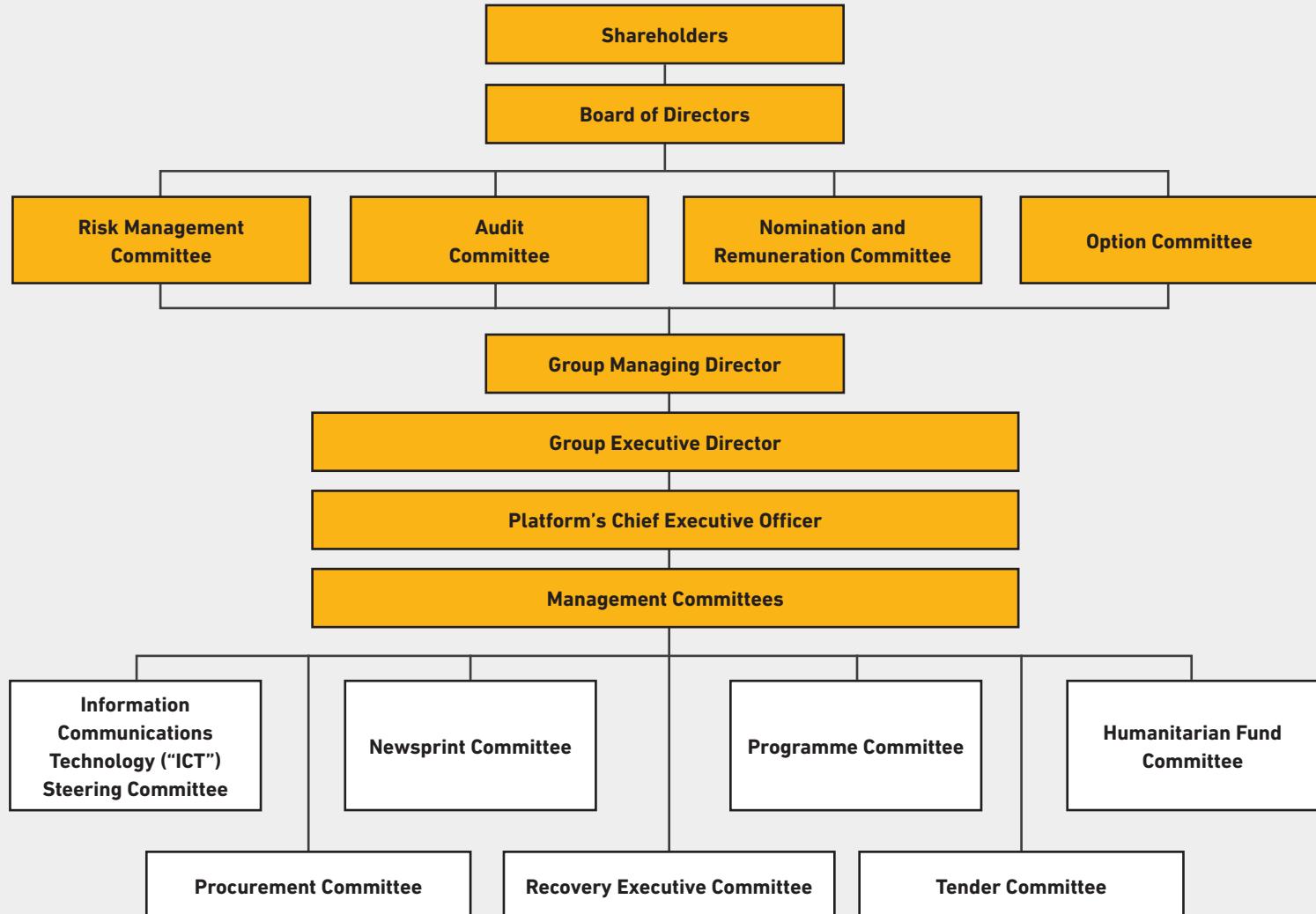
The Group is led and controlled by an effective Board. All Board members carry an independent judgement to bear on issues of strategy, performance, resources and standards of conduct. The Board recognizes the Board's philosophy, principles, ethics, mission and vision and reflects this understanding on key issues throughout the year.

The Board plays an active role in the development of the Group's strategy. It has in place an annual strategy planning process, whereby the Management prepared and presented its Business Plan and Budget for the Board's review and approval. The Board reviews and challenges Management's views and assumptions. In furtherance of this, the Board then reviews and approves the annual budget for the ensuing year and sets the Key Performance Indicators in the Balanced Scorecard.

The Board promotes good corporate governance through sustainability practices which will translate into better corporate performance throughout the Group. A summary of these practices which demonstrate the Group's commitment to the evolving global environmental, social, governance and sustainability agenda is included in the Group's Sustainability Report 2020. Detailed coverage of our corporate responsibility initiatives are explained separately in our Sustainability Report 2020.

The Board is kept informed of key strategic initiatives, significant operational issues and the Group's performance based on the approved Key Performance Indicators in the Balanced Scorecard. The Chief Executive Officers of the business platforms and selected Senior Management were in attendance at Board meetings to support the Group Managing Director in presenting the updates on the progress of key initiatives, business targets and achievements to date and to provide clarification on the challenges and issues raised by the Board.

In order to ensure the effective discharge of its functions and responsibilities, the Board delegates specific powers to the relevant Board Committees and the Group Managing Director. The Group Managing Director shall steer and govern the Company with the support of the Management via the various Management Committees, as depicted in the next page:-



The Group Chairman leads the Board by setting the tone at the top, and manages the Board's effectiveness by focusing on strategy, governance and compliance. The Board monitors the functions of the Board committees in accordance with their respective Terms of Reference to ensure its own effectiveness.

The position of Group Chairman and Group Managing Director are held by two (2) different individuals. There is a clear distinction of roles and responsibilities between the Group Chairman of the Board and the Group Managing Director in order to ensure that there is an equilibrium of power and authority and that no individual has unfettered powers of decision.

The Board together with the Group Managing Director have developed position descriptions for the Board and the Group Managing Director, involving definition of the limits to management's responsibilities. The Board has also approved the corporate objectives for which the Group Managing Director is responsible to meet.

The Board is further assisted by the Group Company Secretary who is responsible for providing a central source of guidance and advice to the Board, on its roles and responsibilities and good corporate governance.

The Board and its Committees have full and unrestricted access to all information necessary in the furtherance of their duties, which is not only quantitative but also other information deemed suitable such as customers satisfaction, product and service quality, market share, updates and reactions. The Board is provided with the agenda for every Board meeting together with comprehensive management reports in advance, for the Board's reference. The Chairman of the Board takes primary responsibility for organising information necessary for the Board to deal with the agenda and for providing this information to directors on a timely basis.

All directors have the right and duty to make further enquiries where they consider necessary. In most instances, members of Senior Management are invited to be in attendance of the Board meetings to provide insight and to furnish clarification on issues that may be raised by the Board.

Corporate Governance Overview Statement

The Board meets at least four (4) times a year, once in every quarter and has a formal schedule of matters specifically reserved for Board decisions such as the approval of corporate plans and budgets, acquisitions and disposals of assets that are material to the Group, major investments, changes to Management and control structure of the Group including key policies, procedures and authority limits. Additional meetings are held as and when required.

The Board is satisfied with the level of commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of Media Prima Berhad. The Directors' commitment is affirmed by the high percentage of their attendance at the Board meetings and respective Board Committee meetings of Media Prima Berhad held during the financial year ended 31 December 2020.

Number of meetings convened by the Board and each Board Committee

Meeting	Number of Meetings in 2020
Board	6
Audit Committee	5
Risk Management Committee	4
Nomination and Remuneration Committee	5

Board Meetings

During the financial year ended 31 December 2020, the Board of Directors had met 6 times on the following occasions:-

No	Board Meeting	Date
1	Special Meeting	15 January 2020
2	67 th Meeting	26 February 2020
3	68 th Meeting	21 May 2020
4	69 th Meeting	27 August 2020
5	Special Meeting	30 September 2020
6	70 th Meeting	18 November 2020

Details of Directors' attendance at the Board of Directors Meeting for the financial year ended 31 December 2020 are as follows:-

Director	Attended / Held	Attendance
Datuk (Dr) Syed Hussian bin Syed Junid <i>Independent Non-Executive Group Chairman</i>	6/6	100%
Dato' Iskandar Mizal bin Mahmood <i>Executive Director</i> <i>(Resigned on 18 May 2021)</i>	6/6	100%
Raja Datuk Zaharaton binti Raja Zainal Abidin <i>Senior Independent Non-Executive Director</i>	6/6	100%
Lydia Anne Abraham <i>Independent Non-Executive Director</i>	6/6	100%
Mohd Rashid bin Mohd Yusof <i>Independent Non-Executive Director</i>	6/6	100%
Mohamad bin Abdullah <i>Non-Independent Non-Executive Director</i> <i>(Resigned on 18 February 2021)</i>	6/6	100%
Hisham bin Zainal Mokhtar <i>Independent Non-Executive Director</i> <i>(Resigned on 1 April 2021)</i>	5/6	83%
Datuk Loo Took Gee <i>Independent Non-Executive Director</i> <i>(Resigned on 1 June 2020)</i>	3/3	100%
Tan Sri Dato' Seri Utama Haji Ismail bin Haji Omar <i>Independent Non-Executive Director</i> <i>(Resigned on 1 June 2020)</i>	2/3	67%
Datuk Kamal bin Khalid <i>Executive Director</i> <i>(Tenure ended on 31 March 2020)</i>	2/2	100%

Key transactions deliberated and approved by the Board for the financial year ended 31 December 2020 include:-

AREA	KEY TRANSACTIONS
Strategic Stewardship	<ul style="list-style-type: none"> Proposed Budget and Business Plan of the Group for the financial year ending 31 December 2020; Quarterly Risk Profiles of Media Prima Group; Policies and Procedures; MPB's Security Posture Assessment; Manpower rationalising & Relocation exercise; and Related party transactions

AREA	KEY TRANSACTIONS
Investor Relations	<ul style="list-style-type: none"> • Quarterly Equity Structure Report; • Quarterly Shareholdings' Reports; • Proceedings and Possible Questions and Answers for the 19th Annual General Meeting; • Press release on the Group's Performance for the financial year ended 2019; and • Press release on the Group's Quarterly Performance for the financial year ended 2020.
Financial Reporting	<p>For the release of financial results and announcements made to Bursa Malaysia Securities Berhad:-</p> <ul style="list-style-type: none"> • Group consolidated financial results for the financial year ended 2019; and • Group's quarterly consolidated financial results (i.e. Q4 2019 and Q1, Q2 & Q3 of 2020).
Boardroom Affairs	<ul style="list-style-type: none"> • Composition of the Board Members in Subsidiaries; • Nomination of Directors / Member of Board Committees of Media Prima Berhad; • Deliberation of Findings on Board Effectiveness Evaluation Exercise; • Annual Review on the list / composition of Directors for the Media Prima Group of Companies; and • Disclosure of Directors' interest.
Regulatory Compliance	<ul style="list-style-type: none"> • Annual Report 2019's Statements:- <ul style="list-style-type: none"> - Audit Committee Report; - Statement on Risk Management and Internal Control; - Risk Management Committee Report; - Corporate Governance Overview Statement; - Group Chairman's Statement; and - Group Managing Director's Statement. • Circulars / Letters from Authorities. • New Section 17A of the MACC Act.
Litigation Status	Quarterly summary and status of litigations suits.
Employee Welfare	<ul style="list-style-type: none"> • Appointment and remuneration structure for the newly appointed Senior Management; • Employees' Key Performance Indicators achievements for financial year ended 2019; • FYE 2019 KPI scorecard framework; • Senior Management's Balance Scorecard Rating for financial year ended 2019; and • Balance Score Card for Senior Management in 2020.

Board Committees

The Board committees which comprise of Audit Committee, Risk Management Committee, Nomination and Remuneration Committee and Option committee assist the Board to fulfil its governance role effectively. The details on Nomination and Remuneration Committee is elaborated further under Principle A of the overview statement on page 103 whilst details on Risk Management Committee and Audit Committee are further explained under Principle B of the overview statement on page 105.

Option Committee

The Option Committee comprises of the following members:

No.	Director	Remarks
1	Raja Datuk Zaharaton binti Raja Zainal Abidin (Chairman)	Appointed on 23 March 2017
2	Hisham Zainal Mokhtar	Appointed on 27 February 2019 (Resigned on 1 April 2021)

The Committee held no meeting in 2020.

Board Directorships

All directors of the Group do not hold more than five (5) directorships in public listed companies as at 31 December 2020. Directorship of Board members on listed Companies including Media Prima Berhad is as follows:-

Board Member's Directorship in Listed Companies (including Media Prima Berhad)

DIRECTORSHIPS	NO. OF DIRECTORS	NAME OF DIRECTORS	%
3 Directorships	3	<ul style="list-style-type: none"> • Dato' Iskandar Mizal bin Mahmood • Raja Datuk Zaharaton binti Raja Zainal Abidin • Mohd Rashid bin Mohd Yusof 	42%
2 Directorships	2	<ul style="list-style-type: none"> • Lydia Anne Abraham • Hisham bin Zainal Mokhtar 	29%
1 Directorship	2	<ul style="list-style-type: none"> • Datuk (Dr) Syed Hussian bin Syed Junid • Mohamad bin Abdullah 	29%

The directors have sufficient time to carry out their responsibilities and the Group Chairman will be notified before a director accepts any new directorship.

Corporate Governance

Overview Statement

Senior Independent Non-Executive Director

Raja Datuk Zaharaton binti Raja Zainal Abidin who joined the Board on 13 August 2015 continues to be the Senior Independent Non-Executive Director in the current year, to whom concerns pertaining to the Group may be conveyed by shareholders and the public.

Shareholders and any other interested parties may contact Raja Datuk Zaharaton binti Raja Zainal Abidin to address any concerns in writing as per the following details:-

Email : zaharaton@mediaprime.com.my

Office Address : Media Prima Berhad, Group Secretarial, Level 3, Balai Berita Bangsar, Anjung Riong, No. 31, Jalan Riong, Bangsar, 59100 Kuala Lumpur.

Board Training

The Board acknowledges the importance of continuous development of its Directors and encourages them to partake in courses or programmes that serve to enhance their skills and update their knowledge.

All Directors had attended relevant training programmes in 2020 to enhance their skills and knowledge, and to keep abreast with the relevant changes in laws, regulations and business environment in order to discharge their duties effectively. Conferences, trainings and/ or seminars attended by the Board of Directors in 2020 are shown below:-

CONFERENCES/SEMINARS/TRAINING	DATE	ORGANISER	ATTENDEES
Leadership & Strategy			
Positive and Negative Consent	14 April 2020	Saadiq Syariah Council	Mohd Rashid Mohd Yusof
What Role Must the Board Play in Challenging Times	15 May 2020	FIDE	Mohd Rashid Mohd Yusof
Managing Virtual Banking and Insurance Businesses	21 July 2020	FIDE	Mohd Rashid Mohd Yusof
Directors' Training • The New Normal • Future of Renewable Energy	6 August 2020	Kuala Lumpur Board Room for Yinson Holding Berhad	Raja Datuk Zaharaton binti Raja Zainal Abidin
Optimising Risk and Resilience Planning to manage Disruptions	19 August 2020	Tricor Corporate Services Sdn Bhd for Taliworks Bhd	Raja Datuk Zaharaton binti Raja Zainal Abidin
The Strategic Value of Sustainability	25 - 26 August 2020	Securities Industry Development Corporation for Areca Capital Sdn Bhd	Raja Datuk Zaharaton binti Raja Zainal Abidin
Annual Dialogue with Governor Bank Negara Malaysia	3 September 2020	FIDE	Mohd Rashid Mohd Yusof
Kick off session Perspective Lane Group on Strategic Planning & Business Plan	21 September 2020	Leaderonomics	Mohamad bin Abdullah
Board of Directors' Workshop - New Section 17A of the Malaysian Anti-Corruption Commission Act and Strategic Risks under Board's Responsibility	24 September 2020	Media Prima Berhad	<ul style="list-style-type: none"> • Datuk (Dr) Syed Hussian bin Syed Junid • Raja Datuk Zaharaton binti Raja Zainal Abidin • Lydia Anne Abraham • Mohd Rashid bin Mohd Yusof • Dato' Iskandar Mizal Mahmood • Hisham Zainal Mokhtar • Mohamad Abdullah

CONFERENCES/SEMINARS/TRAINING	DATE	ORGANISER	ATTENDEES
Leadership & Strategy			
TM Board Strategy Retreat (I) (i) DNA of A World Class Telco: What They Do and How They Do It (ii) Connected World: The Future of 5G, Winning in Cloud, and Beyond (iii) Lessons from International Telco Transformations (Including Cost Transformation Programmes)	28 – 29 September 2020	Telekom Malaysia Berhad (TM)	Hisham Zainal Mokhtar
Climate Action, the Board's Leadership in Greening the Financial Sector.	2 November 2020	FIDE	Mohd Rashid Mohd Yusof
TM Board Strategy Retreat (II) (i) Elements of Great Customer Experience (ii) Elements of High Performance Execution Culture Cybersecurity awareness	9 – 10 November 2020	Telekom Malaysia Berhad (TM)	Hisham bin Zainal Mokhtar
Governance			
Related Party Transaction / Recurrent Related Party Transaction	17 February 2020	Media Prima Berhad	<ul style="list-style-type: none"> • Dato' Iskandar Mizal Mahmood • Datuk (Dr) Syed Hussian Syed Junid
Metrod Group Corporate Liability Awareness Training	18 May 2020	NGL Tricor Governance	Lydia Anne Abraham
Corporate Liability, Adequate Procedure and ISO 37001	13 May 2020	Trident Integrity Solutions Sdn Bhd for Taliworks Corporation Bhd	Raja Datuk Zaharaton binti Raja Zainal Abidin
IAS 1 Presentation of Financial Statements	4 August 2020	MIA	Mohd Rashid Mohd Yusof
Climate Risk Management Update	17 September 2020	Standard Chartered Bank Malaysia	Mohd Rashid Mohd Yusof
Latest Updates on Malaysian Code Corporate Governance, Guidelines on the Conduct of Directors of Listed Corporations and their Subsidiaries issued by the Securities Commission Malaysia and other relevant organisations	21 September 2020	Tricor Corporate Services Sdn Bhd for Taliworks Bhd	Raja Datuk Zaharaton binti Raja Zainal Abidin
Adequate Procedures - Section 17A Corporate Liability: T.R.U.S.T Principles	22 October 2020	Telekom Malaysia Berhad (TM)	Hisham Zainal Mokhtar
Fraud Risk Management	23 November 2020	PwC Consulting Services (M) Sdn Bhd	Dato' Iskandar Mizal Mahmood
Cyber Security Awareness	1 December 2020	Telekom Malaysia Berhad (TM)	Hisham Zainal Mokhtar
Technology			
5G Demonstration Project (5GDP) Launch	19 – 20 January 2020	Telekom Malaysia Berhad (TM)	Hisham Zainal Mokhtar
Introduction to Computer Science and Programming using Python	8 June – 7 August 2020	Massachusetts Institute of Technology	Hisham Zainal Mokhtar

Corporate Governance Overview Statement

Code of Ethics

The Company's Codes of Ethics for Directors and employees govern the standards of conduct and behaviour expected from Directors and employees respectively. They are to be applied to all aspects of business and professional practices and act in good faith in the best interests of Media Prima Group and its stakeholders.

The Code of Ethics for Directors is available on www.mediaprima.com.my whilst the Code of Ethics for employees is available on the Company's Intranet System (PeopleConnect). It requires all to observe high ethical standards of honesty and integrity whilst prohibiting activities or misconduct such as accepting bribes, dishonest behaviour and sexual harassment, among others.

In line with the new Section 17A of the Malaysian Anti-Corruption Commission Act 2009 on corporate liability for corruption which came into force on 1 June 2020, the Board had on 30 May 2020, approved and adopted a Group Anti-Corruption Policy to ensure that the Group's businesses do not participate in corrupt activities for its advantage or benefits. The policy is guided by the Guidelines on Adequate Procedures issued pursuant to section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009. The Policy can be accessed through the Company's website.

Awareness sessions for board members and key management personnel on Section 17A were conducted by the Group Corporate Governance, Risk Management and Integrity Department and representative from the Malaysian Anti-Corruption Commission.

In order to strengthen corporate governance practices across the Group, a whistleblowing policy was established to provide employees with accessible avenue to report suspected fraud, corruption, dishonest practices or other similar matters. The aim of this policy is to promote and encourage the reporting of such matters in good faith, with the confidence that employees making such reports will be protected from reprisal.

The whistleblowing policy and the anti-fraud policy can be accessed by all staff via the Group's intranet. The key components of the whistleblowing policy include protection to the whistleblower from any retaliation in the form of dismissal, harassment or discrimination at work, or any action in court, in respect of disclosure made by the whistleblower to the regulators. Any employee who believes or suspects that a fraud exists or has been committed may report this to the Group General Manager, Group Corporate Governance, Risk Management and Integrity Department.

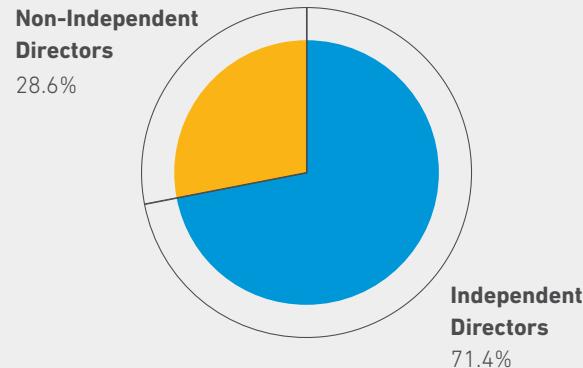
BOARD COMPOSITION

In accordance with the Company's Constitution, newly-appointed directors shall hold office until the next Annual General Meeting and shall then be eligible for re-election. The Constitution also provides that all Directors shall retire from office once at least in every three years. Retiring directors may offer themselves for re-election.

The Board comprises of five Independent Directors, one Non-Independent Director and an Executive Director who serves as the Group Managing Director. The strong presence of five Independent Non-Executive Directors assures effective check and balance on the functioning of the Board.

By virtue of their roles and responsibilities, the five Independent Non-Executive Directors represent the Group's minority shareholders' interests. They are independent of the Management and free from any undue influence from interested parties which could materially interfere with the exercise of their independent judgement.

Board Composition of Directors



In discharging their responsibilities during each Board and Committee meeting, through their vast experience and knowledge, the directors had maintained their independence and objectivity in every major decision to safeguard the Company's and stakeholders' best interest.

The Nomination and Remuneration Committee and the Board have upon their Board Effectiveness Evaluation exercise, concluded that all of the Independent Non-Executive Directors continue to demonstrate conduct and behaviour that are essential indicators of independence, and that each of them continue to fulfil definition of independence as set out in the terms of reference and the listing requirements.

The Board recognises that an individual independence cannot be determined arbitrarily on the basis of a set period of time alone. The Board also firmly believes that the ability of a Director to serve effectively is dependent on his calibre, qualification, experience and personal qualities, particularly his integrity and objectivity. It is also believed that there are significant advantages to be gained from long-serving Directors who possess insight and knowledge of the Company's business and affairs.

Hence, an Independent Director who has served the Company for nine years, subject to the Nomination and Remuneration Committee's recommendation and Shareholders' approval, may continue to serve the Group in the capacity of Independent Director.

Board Member's Tenure



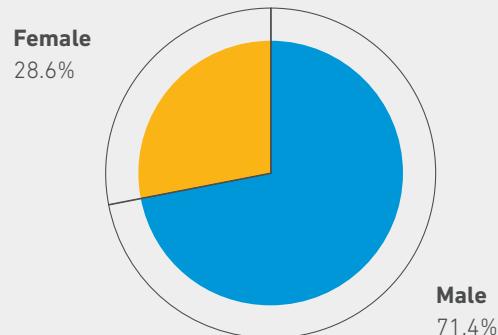
The Group Chairman and all Independent Non-Executive Directors have served the Board for less than nine (9) years where their tenures are set out in the Board of Directors' Profiles as set out on page 76 to 85 of this Annual Report.

The Nomination and Remuneration Committee is responsible for recommending to the Board those Directors who are eligible to stand for election/reappointment. This recommendation is based on formal reviews of the performance of the Directors, taking into account the Board Effectiveness Evaluation results, contribution to the Board through their skills, experience, strengths and qualities, level of independence and ability to act in the best interests of the Group in decision-making.

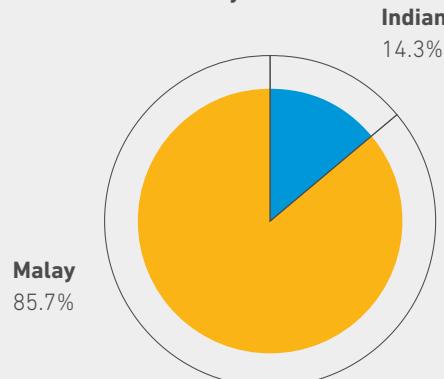
In its effort to promote boardroom diversity, the Nomination and Remuneration Committee has taken various steps to ensure that candidates are sought from various sources as part of its recruitment exercise. The experience and background of the respective Board members are described in their profiles as set out on page 76 to 85 of this Annual Report.

The Board is supportive of gender and ethnic diversity and the following diagrams depict a summary of Board diversity in Media Prima Berhad in terms of age group, gender diversification and ethnicity as at 31 December 2020:-

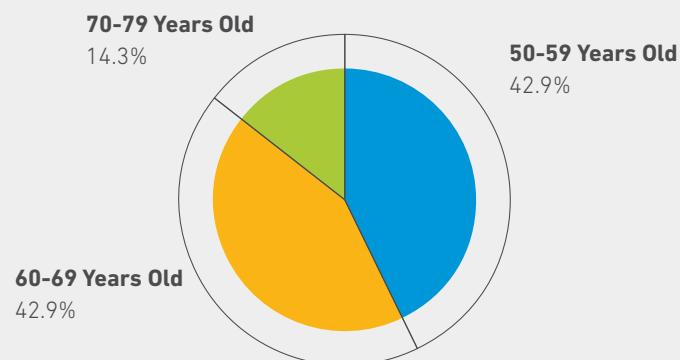
Gender Diversity



Board Member's Ethnicity



Age Diversity



Corporate Governance Overview Statement

REMUNERATION

The Group has established a formal and transparent procedures for developing policy on executive remuneration and for fixing the remuneration package of individual director. The objective of the Group's policy on directors' remuneration is to attract and retain directors of the calibre needed to manage the Group successfully.

The Nomination and Remuneration Committee, carries out the annual review of the overall remuneration policy for Executive Director where recommendations are submitted to the Board for approval. The remuneration for Executive Director is structured to link rewards to corporate and individual performance. It is nevertheless, the ultimate responsibility of the Board to approve the remuneration of this director.

The determination of the remuneration packages of Non-Executive Directors (whether in addition to or in lieu of their fees as directors), is a matter for the Board as a whole, subject to approval of shareholders at the Annual General Meeting. Each individual director would abstain from the Board's decision on his or her own remuneration to avoid any conflict of interest.

Remuneration Package for Executive Director

The remuneration package of the Executive Director is as follows:-

i. Basic Salary

The Nomination and Remuneration Committee recommends the basic salary (inclusive of statutory employer contributions to the Employee Provident Fund) for the Executive Director, taking into account the performance of the individual, the inflation price index and information from independent sources on the rates of salary for similar positions in selected group of comparable companies.

ii. Performance Bonus

The Group operates a performance based bonus scheme for all employees, including the Executive Director. The criteria for the scheme is dependent on the achievement of KPI set for the Group's business activities as measured against targets, together with an assessment of each individual's performance during the period. Bonus payable to the Executive Director is reviewed by the Nomination and Remuneration Committee and approved by the Board.

iii. Fixed Allowance

The Executive Director is entitled for fixed allowances.

iv. Benefits-in-Kind

The Executive Directors is entitled to other customary benefits such as Group Hospitalisation and a driver.

Remuneration Package for Non-Executive Directors

Non-Executive Directors are paid annual fees and attendance allowance for each Board meeting attended. They are also entitled for Group Hospitalisation and Surgical Insurance.

Directors of Media Prima Berhad are also covered under a Directors and Officers Liability Insurance Policy against any liability incurred by them in discharging their duties while holding office as directors of the Group. The directors contribute partially for the payment of the insurance premium.

Board papers are circulated on a timely basis, at least five (5) days in advance of the meeting to enable the members to have sufficient time to review the papers prepared. Board papers are comprehensive and encompass all aspects of the matters being considered, enabling the Board to look at both the quantitative and qualitative factors so that informed decisions are made. The Board papers supplied to the directors include quarterly performance reports of the Group, corporate proposals, Group's risk profiles, information on operational and financial issues, updates on Group's corporate social responsibility, business forecasts and outlook and Circular Resolutions passed.

A Board Charter had been established with the objectives to ensure that all Board members are aware of their duties and responsibilities, the various legislations and regulations affecting their conduct and that the principles and practices of good corporate governance are applied in all dealings by Board members individually and/or on behalf of the Group. The Board Charter outlines processes and procedures for the Board and its committees in discharging their stewardship effectively and efficiently.

Media Prima's Board Charter sets out the board's strategic intent, authority and terms of reference and serves as a primary source of reference and induction literature. In addition, the Board Charter outlines the requirements, roles and responsibilities of the Board, Board Committees and individual Directors, in line with Media Prima's efforts to promote the highest standards of corporate governance. To ensure that it remains relevant, the Board Charter is reviewed every three years or as change arises to ensure the Company remains at the forefront of best practices in governance. The Board Charter is available at Media Prima Website at www.mediaprime.com.my.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was established on 14 May 2015 and is chaired by Datuk (Dr) Syed Hussian bin Syed Junid. The Committee had held five (5) meetings in 2020 namely on 24 February 2020, 26 February 2020, 24 August 2020, 16 November 2020 and 8 December 2020 and members' attendance is as follows:-

No.	Director	Attended / Held	Attendance
1.	Datuk (Dr) Syed Hussian bin Syed Junid (<i>Redesignated as Chairman on 3 April 2020</i>)	5/5	100%
2.	Raja Datuk Zaharaton Raja Zainal Abidin (<i>Redesignated as Member on 3 April 2020</i>)	5/5	100%
3.	Mohd Rashid bin Mohd Yusof	5/5	100%
4.	Hisham bin Zainal Mokhtar (<i>Resigned as Member on 1 April 2021</i>)	5/5	100%
5.	Tan Sri Dato' Seri Utama Haji Ismail bin Haji Omar (<i>Resigned as Member on 3 April 2020</i>)	1/2	50%

The Nomination and Remuneration Committee recognises the importance of an appropriate balance and diversity of knowledge, skills, backgrounds, experience, professional qualifications and gender in building an effective Board. It has established policies, criteria and a clear methodology in accordance with its Terms of Reference which can be found in the Board Charter.

Key transactions deliberated and approved by the Board during NRC meetings in 2020 include:

- i. Annual review of the list/composition of Directors for the MPB Group of Companies;
- ii. Nomination/appointment of Directors;
- iii. Proposed renewal of contract and remuneration structure for Senior Management;
- iv. Key Performance Indicator (KPI) achievements for the year of 2019;
- v. KPI Scorecard framework 2020 for Senior Management; and
- vi. Board Effectiveness Evaluation exercise.

Corporate Governance

Overview Statement

The details on the remuneration of directors for the financial year ended 31 December 2020, distinguishing between Executive and Non-Executive Directors are as follows:

Directors	Fees (MPB & Subsidiaries) (RM)	Fees (Board Committees) (RM)	Salary (RM)	Statutory (EPF) (RM)	Other Remunerations / Emoluments (RM)	Benefits-In-Kind (RM)	Total (RM)
Datuk (Dr) Syed Hussain bin Syed Junid	75,000	2,746	-	-	474,000	13,659	565,405
Raja Datuk Zaharaton binti Raja Zainal Abidin	72,295	4,254	-	-	29,500	-	106,049
Lydia Anne Abraham	86,585	7,000	-	-	32,250	-	125,835
Mohd Rashid bin Mohd Yusof	75,984	7,000	-	-	33,500	-	116,484
Hisham bin Zainal Mokhtar (Resigned on 1 April 2021)	77,213	4,000	-	-	31,000	-	112,213
Mohamad bin Abdullah (Resigned 18 February 2021)	60,000	2,984	-	-	10,000	-	72,984
Tan Sri Dato' Seri Utama Haji Ismail Hj Omar (Resigned 1 June 2020)	56,448	2,033	-	-	34,500	-	92,981
Datuk Loo Took Gee (Resigned 1 June 2020)	40,410	1,016	-	-	18,000	-	59,426
TOTAL FOR NON-EXECUTIVE DIRECTORS (RM)	543,935	31,033	-	-	662,750	13,659	1,251,377
Dato' Iskandar Mizal bin Mahmood (Resigned on 18 May 2021)	-	-	855,000	150,880	81,000	7,200	1,094,080
Datuk Kamal bin Khalid (Tenure ended on 31 March 2020)	-	-	240,000	50,160	1,020,373	1,800	1,312,333
TOTAL FOR EXECUTIVE DIRECTORS (RM)	-	-	1,095,000	201,040	1,101,373	9,000	2,406,413
TOTAL (RM)	543,935	31,033	1,095,000	201,040	1,764,123	22,659	3,657,790

The remuneration paid to the Top 5 senior management of the Company during the year is as follows:-

Remuneration Range (not including Group Managing Director and Group Executive Director)	Number of Senior Management
RM1,700,001 to RM1,750,000	1
RM1,150,001 to RM1,200,000	1
RM800,001 to RM850,000	2
RM750,001 to RM800,000	1

Note: Successive bands of RM50,000 are not shown entirely as they are not represented.

The remuneration including salary, benefits in-kind and other emoluments of the Top 5 Senior Management of the Company disclosed above is on an aggregate basis and in bands of RM50,000 instead of on a named basis. The Board has decided that the disclosure of the senior management's individual remuneration would not be in the best interest of the company to support the company's efforts to retain key senior management and due to sensitivity and security concerns.

MCCG'S PRINCIPLE B - EFFECTIVE AUDIT & RISK MANAGEMENT

AUDIT COMMITTEE

The Audit Committee was established on 19 August 2003 and is currently chaired by Encik Mohd Rashid bin Mohd Yusof who is a Chartered Accountant with the Malaysian Institute of Accountants ("MIA") and a Fellow of the Association of Chartered Certified Accountants ("ACCA") United Kingdom. The Board believes that the current composition has the required experience and knowledge for the roles of Audit Committee.

The Audit Committee comprises of three (3) Independent Non-Executive Directors and no alternate director is appointed as member of the Audit Committee.

The External Auditors Policy prescribes that the Audit Committee is responsible to assess, review and monitor the performance, suitability and independence of the External Auditors and make recommendation on the appointment and removal of the External Auditors to the Board of Directors.

The Group's External Auditors Policy requires that any former key audit partner shall observe a cooling period of at least two (2) years before being appointed as a member of the Audit Committee.

A detailed report on the Audit Committee comprises of its composition, terms of reference and summary of 2020 activities can be found on page 118 to 123 of this Annual Report.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board acknowledges its responsibility for the Group's system of internal controls and risk management and for reviewing the effectiveness of these systems to ensure compliance with the applicable laws and regulations, as well as internal procedures and guidelines.

The Board is assisted by the Risk Management Committee in the oversight and its management of all identified risks. The Risk Management Committee is currently chaired by Puan Lydia Anne Abraham.

The Risk Management Committee meets quarterly to ensure that the accountability for managing identified significant risks is clearly assigned and that any identified risks affecting the Group are being addressed, managed and mitigated on an ongoing basis. The Risk Management Committee also reviews the risk management framework to ensure that it remains relevant for use and monitors the effectiveness of risk mitigation plans for the management and controls of the key risks.

The Enterprise-wide Risk Management ("ERM") framework practiced by the Group is largely benchmarked against the ISO 31000:2018 Risk Management Guidelines. The Board, from time to time, reviews the framework to facilitate a continuous and iterative process which leads to the enhancement of risk awareness across the organisation. The Enterprise-wide Risk Management framework enables the subsidiaries, operating units and support functions to exercise a consistent approach for risk identification and institutes a common platform to deliberate and manage risks.

Further details of the activities undertaken by the Risk Management Committee during the year are set out in the Risk Management Committee Report in page 124 to 126 of this Annual Report.

The Group's Internal Control

The Board is ultimately responsible for the adequacy and integrity of the Group's internal control system. The effectiveness of system of internal controls of the Group is reviewed by the Audit Committee during its quarterly meetings. This review covers the financial, operational and compliance controls as well as the process for the identification, evaluation and management of the significant risks faced by the Group.

A detailed report on the nature and scope of risk management and internal control in reviewing the adequacy and effectiveness of risk management and internal control of the Group during the financial year 2020 is outlined on page 110 to 117 of this Annual Report.

The internal audit function within the Group is carried out by the Group Corporate Governance, Risk Management and Integrity Department. The department is led by the Group General Manager, Group Corporate Governance, Risk Management and Integrity who reports directly to the Audit Committee. The Group Corporate Governance, Risk Management and Integrity Department checks for compliance with statutory/regulatory requirements, internal policies and procedures and review the work processes/ procedures for efficiency and effectiveness.

All internal audit activities during the financial year were conducted by the Group Corporate Governance, Risk Management and Integrity Department. The details of the Department's activities are presented in page 120 to 123 of this Annual Report.

MCCG'S PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

COMMUNICATION WITH STAKEHOLDERS

The Group maintains regular and proactive communication with its stakeholders and investors, with the provision of clear, comprehensive and timely information through a number of readily accessible channels such as Corporate Website and Investors Briefing.

Corporate Governance Overview Statement

Media Prima Berhad believes in building investors' confidence through good corporate governance practices. The latest information on the corporate and business aspects such as stock information, financial results, announcements and quarterly results can be accessed via our corporate website at www.mediaprime.com.my. Media Prima Berhad uses various social media channels as a communication channel and to engage with stakeholders.

The Group's Investor Relations policy provides guidelines on the activities that enable the Board and Management to communicate

effectively with the investment and financial community and other stakeholders including institutional investors, fund managers, analysts, bankers as well as research and stock-broking houses and the general public in relation to dissemination of timely, relevant and accurate information pertaining to the Group.

The Group welcomes inquiries and feedback from shareholders and other stakeholders. All queries and concerns regarding the Group may be conveyed to the following personnel:-

Name	Designation	Related Matters	Email / Contact No.
Rosli bin Sabarudin	Acting Group Chief Financial Officer	Financial	rosli.sabarudin@mediaprime.com.my / 03-2724 8712
Sere Mohammad bin Mohd Kasim	Group General Manager, Group Corporate Governance, Risk Management and Integrity	Governance, Internal Audit, Risk Management and Integrity	sere@mediaprime.com.my / 03-2724 8975
Tan Say Choon	Group General Manager, Group Secretarial	Corporate Secretarial and Board-related	jessica@mediaprime.com.my / 03-2724 8911
Sharifah Nur Adibah binti Syed Tahir	Group General Manager, Corporate Finance, Investor Relations and Strategic Communications	Corporate Finance & Investor Relations	nuradibah@mediaprime.com.my / 03-2724 8702
Zuraidah binti Mohd Yatim	General Manager, Group Regulatory Affairs/ Intellectual Property	Regulatory Affairs/ Intellectual Property	zuraidah@mediaprime.com.my / 03-2724 8923

The Group is considering to adapt integrated reporting to improve the quality of information available to investors and promotes greater transparency and accountability in the near future.

CONDUCT OF GENERAL MEETINGS

In addition to the Quarterly Financial Reports and annual report, the Annual General Meeting ("AGM") remains the principal opportunity for communication with shareholders and investors. At each AGM, the Board presents the progress and performance of the Group. The Group Chairman and/or the Group Managing Director presents a comprehensive review of the financial performance of the Group and value created for shareholders. This review is supported by visual and graphical presentations of key points and financial figures.

Shareholders are encouraged to participate in the proceedings and ask questions on the operations of the Group and on any resolutions being proposed. The Group Chairman will provide sufficient time for shareholders' questions on matters pertaining to the Group's performance and seek to explain concerns raised by the shareholders.

Each item of ordinary and special business included in the notice of the meeting will be accompanied by a full explanation of the effects of a proposed resolution. Separate resolutions are proposed for separate issues at the meeting and the Group Chairman declares the outcome

of each resolution after proposal and secondment are done by the shareholders.

The Group had given 29 days notice to the shareholders for the 19th Annual General Meeting held on 8 July 2020, which was conducted virtually.

All directors attended the 19th AGM, each Director representing each Board Committee provided meaningful responses to the questions raised by the shareholders during the session. Minutes of meeting on the AGM was uploaded timely for public viewing and is available on www.mediaprime.com.my

The Group had leveraged on technologies especially to facilitate offsite voting (including voting in absentia) and remote shareholders' participation at the AGM. These initiatives will enable shareholders to participate, engage the Board and Senior Management effectively and make informed voting decisions at AGMs.

The overview statement is to be read together with the corporate governance report which is made available on the group's official website at www.mediaprime.com.my

The Corporate Governance Overview Statement was approved by the Board of Directors during the meeting dated 25 February 2021.

Additional Compliance Information

1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

There were no proceeds raised from corporate proposals during the financial year.

2. NON-AUDIT FEES

The fees paid/payable to external auditors and its affiliates for services rendered to the Company and the Group for the financial year ended 31 December 2020 are as follows:

	Company (RM)	Group (RM)
Statutory audit fees	98,000	1,487,000
Tax-related fees	30,000	261,000
Other non-audit fees	20,000	20,000

3. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

There was no material contract entered into by the Group involving the interest of directors and major shareholders, either still subsisting at the end of the financial year ended 31 December 2020 or entered into since the end of the previous financial year.

4. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE ("RRPTs")

The details of the shareholders' mandate for the RRPTs are set out in the Circular to Shareholders dated 27 May 2021 which is available on Bursa Malaysia Securities Berhad's ("Bursa Securities") website and the Company's website.

The shareholders of the Company had at the 19th Annual General Meeting held on 8 July 2020 granted their approval for the Company and its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature, which are necessary for its day-to-day operations and are in the ordinary course of business in order to comply with Paragraph 10.09(2)(b) of the Main Market Listing Requirements ("MMLR") of Bursa Securities.

Additional Compliance Information

In accordance to Paragraph 3.1.5 of Practice Note 12 of the MMLR of Bursa Securities, the details of recurrent related party transactions made during the financial year ended 31 December 2020 pursuant to the shareholders' mandate are as follows:

Item	Media Prima Berhad ("MPB") and/or its subsidiary companies	Transacting related party	Interested related parties	Nature of transaction	Amount transacted for the financial year ended 31 December 2020 (RM'000)
1	Media Prima Omnia Sdn Bhd ("Omnia")	TSSM Group	<p>Major shareholders</p> Tan Sri Dato' Seri Syed Mokhtar Shah bin Syed Nor ("TSSM") ¹ Restu Jernih Sdn Bhd ("Restu Jernih") ² Perspective Lane Sdn Bhd ("Perspective Lane") ³ Sutera Bakti Sdn Bhd ("Sutera Bakti") ⁴ Aurora Mulia Sdn Bhd ("Aurora Mulia") ⁵	Sale of media-related solutions by Omnia	5,325
2	Print Towers Sdn Bhd ("PTSB")	Percetakan Nasional Malaysia Berhad	<p>Major shareholders</p> TSSM ¹ Restu Jernih ² Perspective Lane ³ Sutera Bakti ⁴ Aurora Mulia ⁵	Provision of printing services by PTSB	2,919
3	PTSB	TMR Media Sdn Bhd	<p>Major shareholders</p> TSSM ¹ Restu Jernih ² Perspective Lane ³ Sutera Bakti ⁴ Aurora Mulia ⁵	Provision of printing services by PTSB	1,015
4	PTSB	Media Mulia Sdn Bhd	<p>Major shareholders</p> TSSM ¹ Restu Jernih ² Perspective Lane ³ Sutera Bakti ⁴ Aurora Mulia ⁵	Provision of printing services by PTSB	5,007

Item	Media Prima Berhad ("MPB") and/or its subsidiary companies	Transacting related party	Interested related parties	Nature of transaction	Amount transacted for the financial year ended 31 December 2020 (RM'000)
5	Big Tree Outdoor Sdn Bhd and its subsidiaries ("BTO Group")	Jasmine Food Corporation Sdn Bhd	Major shareholders TSSM ¹ Restu Jernih ² Perspective Lane ³ Sutera Bakti ⁴ Aurora Mulia ⁵ Directors Dato' Iskandar Mizal bin Mahmood ⁶ Mohamad bin Abdullah ⁷	Provision of advertising services by BTO Group	1,717
6	Sistem Televisyen Malaysia Berhad and its subsidiaries ("STMB Group")	MYTV Broadcasting Sdn Bhd	Major shareholders TSSM ¹ Restu Jernih ² Perspective Lane ³ Sutera Bakti ⁴ Aurora Mulia ⁵ Directors Dato' Iskandar Mizal bin Mahmood ⁶ Mohamad bin Abdullah ⁷	Subscription of digital terrestrial television services from MYTV Broadcasting Sdn Bhd	25,240

Notes:

The nature of relationship with the above related parties as at 31 December 2020 is as follows:

- 1 TSSM holds (via Restu Jernih/Perspective Lane/Sutera Bakti) 100% effective interest in Percetakan Nasional Malaysia Berhad, TMR Media Sdn Bhd and MYTV Broadcasting Sdn Bhd, and a 70% effective interest in Media Mulia Sdn Bhd. He also has personal controlling interest of 20% and above in numerous other private companies and entities that are in diverse businesses and charitable activities and are regarded as persons connected to TSSM. As the list of these private companies and entities are constantly changing, MPB has not listed them but identifies them as "TSSM Group". For clarity, the TSSM Group also includes Media Mulia Sdn Bhd, MYTV Broadcasting Sdn Bhd, Percetakan Nasional Malaysia Berhad, TMR Media Sdn Bhd and Jasmine Food Corporation Sdn Bhd.
- 2 Restu Jernih holds (via Perspective Lane/Sutera Bakti) 100% effective interest in Percetakan Nasional Malaysia Berhad, TMR Media Sdn Bhd and MYTV Broadcasting Sdn Bhd, and a 70% effective interest in Media Mulia Sdn Bhd.
- 3 Perspective Lane holds (via Sutera Bakti) 100% effective interest in Percetakan Nasional Malaysia Berhad, TMR Media Sdn Bhd and MYTV Broadcasting Sdn Bhd, and a 70% effective interest in Media Mulia Sdn Bhd.
- 4 Sutera Bakti holds 100% effective interest in Percetakan Nasional Malaysia Berhad, TMR Media Sdn Bhd (via Aurora Mulia), MYTV Broadcasting Sdn Bhd and a 70% effective interest in Media Mulia Sdn Bhd.
- 5 Aurora Mulia holds 100% effective interest in TMR Media Sdn Bhd and a 70% effective interest in Media Mulia Sdn Bhd.
- 6 Dato' Iskandar Mizal bin Mahmood is a former director of MPB (resigned as a director on 18 May 2021) and was a representative of TSSM on the Board of Directors of MPB.
- 7 Encik Mohamad bin Abdullah is a former director of MPB (resigned as a director on 18 February 2021) and was a representative of TSSM on the Board of Directors of MPB. He is currently the Managing Director of Percetakan Nasional Malaysia Berhad, the Non-Executive Chairman of TMR Media Sdn Bhd, a director of MYTV Broadcasting Sdn Bhd and Sutera Bakti Sdn Bhd.

Statement on Risk Management and Internal Control

THE BOARD OF MEDIA PRIMA BERHAD IS PLEASED TO PRESENT THE STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL. THE STATEMENT HIGHLIGHTS THE KEY FEATURES OF THE RISK MANAGEMENT AND INTERNAL CONTROL OF THE GROUP FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020.

A. RESPONSIBILITY

The Board acknowledges its responsibility to adopt sound risk management practices to safeguard Media Prima Berhad's business interest from risk events that may impede achievement of business strategies and action plan, enable value creation and process improvement.

The Enterprise-wide Risk Management ("ERM") framework practiced by the Group is largely benchmarked against the ISO 31000:2018 Risk Management Guidelines. The Board, from time to time, reviews the framework to facilitate a continuous and iterative process which leads to the enhancement of risk awareness across the organisation. The Enterprise-wide Risk Management framework enables the subsidiaries, operating units and support functions to exercise a consistent approach for risk identification and institutes a common platform to deliberate and manage risks.

Sound internal control system is a vital process developed to ensure effective and efficient operation, provide reliable and relevant reporting, and comply with applicable laws and regulations.

The Group has in place a continuous, proactive and systematic control structure and process for identifying, evaluating and managing significant risks pertinent to the achievement of the Group's overall corporate objectives. The control structure and process which has been established throughout the Group is updated and reviewed from time to time to suit the changes in the business environment.

The Group implements the three (3) line of defence concept:-

First line	Risk taking units (business units and departments)	Manage the day-to-day management of risks inherent in its business activities.
Second line	Risk control unit (Risk Management Unit)	Responsible for setting the risk management framework, developing tools and methodologies.
Third line	Independent assurance unit (Corporate Governance Unit)	Provides independent assurance of the effectiveness of the risk management process and effectiveness of the first and second line of defence.

B. CONTROL ENVIRONMENT AND ACTIVITIES

1. Key Control Structure of the Group

Media Prima Berhad has inculcated that managing risk is everyone's business. The whole Group comes together to manage risks in a successful and cost-efficient manner within the following key controls:-

i. Board of Directors

The Board acknowledges its overall responsibility in the establishment and oversight of the Group's risk management and internal control within the Group and is constantly keeping abreast with developments in the areas of risk and governance.

The Board meets at least quarterly, and more frequently when required, to review and evaluate the Group's operations and performance and to address key policy matters. The Group Managing Director leads the presentation of Board papers and provides comprehensive explanation over pertinent issues.

The prerequisite to decisions made in the meeting is the thorough deliberation and discussion by the Board, together with recommendations and feedback from management. In addition to quarterly financial results, corporate proposals, Group's Risk Profile and progress reports on business operations are also tabled at the Board's quarterly meetings.

Other Board Committees are also established to assist the Board in performing its oversight function namely the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee and the Option Committee. Specific responsibilities have been delegated to these Board Committees, all of which have formalised terms of reference accessible via the Board Charter which is available on the Company's official website at www.mediaprima.com.my. These Committees have the authority to examine all matters within their scope and report to the Board with their recommendations.

At the helm of the organisation, the Board is ultimately responsible for the overall management of risks and internal control. The Board through the Risk Management Committee and Audit Committee maintains overall responsibility for risk and control oversight respectively, within the Group.

While the Board, Risk Management Committee and Audit Committee provide oversight, the responsibility for managing risks and internal control appropriately lies with Senior Management through the following activities:-

- Providing leadership and direction to business units;
- Providing oversight responsibilities of reviewing financial information and assessing the effectiveness of the Group's internal control environment;
- Dissecting risk and internal control issues highlighted by the Group Corporate Governance, Risk Management and Integrity Department.
- Understanding the inherent risks in each business platform;
- Implementing Risk Management Framework by understanding the risk measurement, monitoring and mitigation strategy adopted, as well as the impact of on-going action plans to meet objectives; and
- Assessing the performance and state of internal controls of operating companies within the Group.

ii. Risk Management Committee

The Board delegates the responsibility of reviewing the risk management systems and to ensure the effectiveness of the Group's Risk Management Framework to the Risk Management Committee. The Risk Management Committee updates the Board on the significant changes that affect the risk profile of the Group. The Risk Management Committee's responsibilities as stipulated in the Board Charter include:-

- Reviewing and ensuring adequacy of risk management framework;
- Reviewing risk exposures; and
- Ensuring that infrastructure, resources and systems are in place for risk management activities.

Further details of the activities undertaken by the Risk Management Committee during the year are set out in the Risk Management Committee Report on pages 124 to 126 of this Annual Report.

iii. Audit Committee

The Board is also supported by the Audit Committee with the main responsibility of providing independent assessment on the adequacy and reliability of the risk management processes and internal control, as well as compliance with policies and regulatory requirements.

The Audit Committee comprises of three (3) Independent Non-Executive Directors who are highly experienced and whose knowledge, background and judgement are invaluable to the Group. The Audit Committee has unimpeded access to both the Internal and External Auditors and has the right to convene meetings with the auditors without the presence of the Executive Directors and Management.

The Audit Committee reviews the work of the Internal and External Auditors, their findings and recommendations to ensure that it meets the necessary level of assurance with respect to the adequacy of the internal controls.

Statement on Risk Management and Internal Control

The Audit Committee meets at least on a quarterly basis and minutes of the Audit Committee meeting are then tabled to the Board. Details of the activities undertaken by the Audit Committee during the year are set out in the Audit Committee Report on pages 118 to 123 of this Annual Report.

iv. Operating Units

At the forefront, operating units are responsible for the identification and management of risks within its operations. The operating units are also responsible to comply with approved frameworks, policies, guidelines and procedures on all daily activities.

Management Committees

Management Committees are established to ensure that the Group's interests are adequately protected in arriving at important business/operational decisions. The Committees include the Programme Committee, Newsprint Committee, Procurement Committee, Tender Committee, Information Communications Technology Steering Committee and Humanitarian Fund Committee which all have clearly defined terms of reference.

Senior Management Meeting

Senior Management meetings are held on a monthly basis to formulate strategies on an on-going basis and to address issues arising from changes in both external business environment and internal operating conditions. The meeting is chaired by the Group Managing Director.

2. The Group's Control Environment

The Board is committed to maintaining a strong control structure and environment for the proper conduct of the Group's business operations. The Group's control environment comprises of the following components which have been in place throughout the financial year:-

Risk Management Function

Media Prima Berhad's risk management is driven based on a principle where risks are mitigated by calibrating risks to acceptable levels whilst achieving the organisation's business plans and goals.

At Media Prima Berhad, risk management is integrated within MPB's strategy planning process and its ongoing improvement in identifying, analysing, quantifying, mitigating and monitoring of all significant risk areas. This remains a vital focus of the Board in building a successful and sustainable business.

The Company has a structured risk management reporting line to ensure significant risks are escalated to the appropriate levels. The Risk Management Committee ("RMC") role is to provide oversight and extensive discussion on risk management matters at the Board level. The RMC reviews and assesses the adequacy of these risk management policies and ensures infrastructure, resources and systems are emplaced for risk management.

The Board and RMC is supported by the Group Corporate Governance, Risk Management and Integrity Department ("GCGRI") in discharging their risk management responsibilities. Together with the various business units, GCGRI facilitates the risk review exercise across the Group to identify, manage and report the significant risks faced by the company to the RMC and ultimately to the Board. GCGRI is also responsible for ensuring that the risk management framework is effectively implemented and that risk registers are maintained by the respective business platforms.

Risk Management Framework

Media Prima Berhad's risk management framework encapsulates an on-going process of identifying, assessing, controlling, monitoring and reporting material risks affecting the achievement of Media Prima Berhad's business objectives. Tailored based on ISO 31000:2018 Risk Management Guidelines, the framework sets out the risk management governance and infrastructure, risk management processes and control responsibilities.

The following principles guide the business platforms and departments in managing risks:-

- Risks can be managed, but cannot be totally eliminated;
- Risks are aligned with, and driven by, business values, targets and objectives;
- Risks ownership lies with the Chief Executive Officers of the business platforms and Heads of Department of the Business Units;
- Risks on material matters are highlighted to Risk Management Committee with constant engagement on development of risks controls and mitigation processes; and
- Risks management processes are integrated with other processes including budgeting, planning and business development.

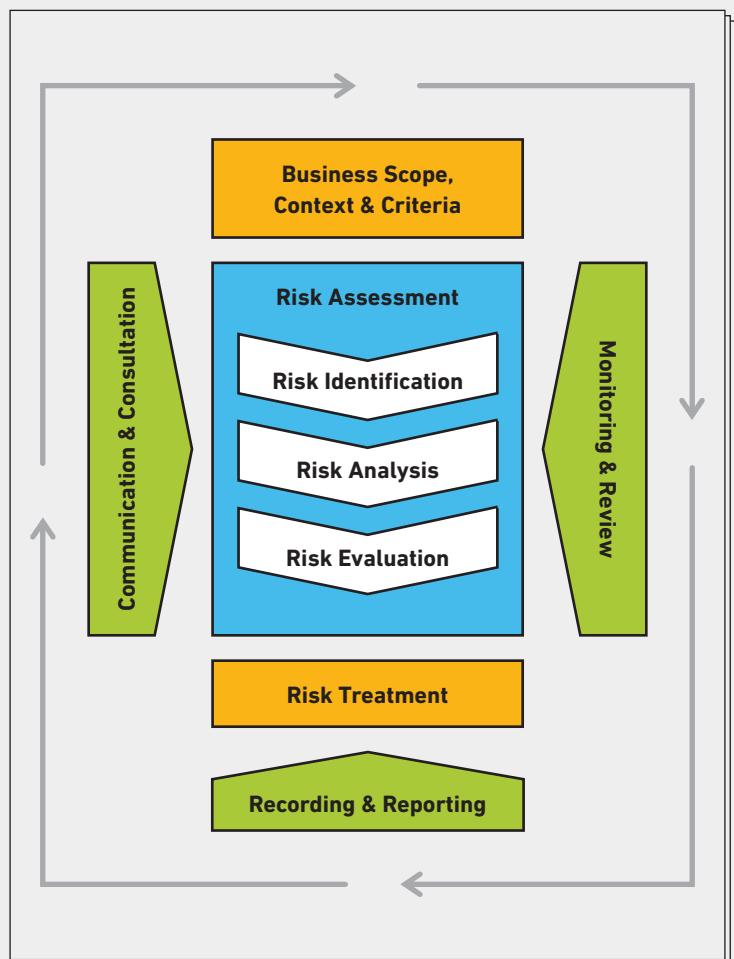
Risk Management Process

A structured risk management process has been formulated to ensure that significant risks are identified and treated accordingly. Group Corporate Governance, Risk Management and Integrity Department ("GCGRI") is responsible in coordinating risk review exercises and preparing quarterly reports on the company's risk management activities which include financial, operational, compliance, information technology, publishing & broadcasting management, internal controls and risk management systems.

The risk review exercise encompasses the following activities:-

- Identifying key risks affecting business objectives and strategic plans.
- Defining a common understanding of risk classification tolerance through quantification, whenever possible, and development of criteria matrix that reflect the impact and likelihood of the risk materialising.

- Evaluating adequacy of existing controls and developing additional plans, if required, to treat these risks.
- Monitoring effectiveness of measures taken to mitigate risks.
- Seizing prospects through evaluation of 'opportunity risks' so that management proactively realises opportunities.
- Identifying changes to risks or emerging risks and promptly bringing these to the attention of the Board where appropriate.



Risk Management Process

The outcomes from the risk review exercise and other risk management activities will be documented and presented to the RMC and ultimately to the Board. Details of the risks and mitigation actions reported and deliberated in the quarterly RMC Meeting are set out in the Risk Management Committee Report on pages 124 to 126 of this Annual Report.

Statement on Risk Management and Internal Control

Internal Audit Function

- The Group Corporate Governance, Risk Management and Integrity (GCGRI) Department includes an in-house Internal Audit function that was established to provide independent assurance of the adequacy of risk management, internal control and governance systems within the Group and the establishment is in accordance with paragraph 15.27 of Bursa Malaysia Main Market Listing Requirement. The GCGRI Department's activities are guided by an Internal Audit Charter which is approved by the Audit Committee. The Audit Charter defines the department's roles, responsibilities, accountability and scope of work.
- The GCGRI Department undertakes regular reviews of the Group's operations and its system of internal controls. The GCGRI Department reviews the Group's activities based on an audit plan approved by the Audit Committee. The audit plan is developed based on the risk profiles of the respective business entities of the Group identified in accordance with the Group's Risk Management Framework and feedbacks from the Senior Management and the Board.
- Internal audit findings are discussed at Management level and actions are agreed in response to the GCGRI Department's recommendations. The progress of implementation of the agreed actions is being monitored by the GCGRI Department through follow up reviews in which implementation status are presented to the Audit Committee on a quarterly basis.
- The GCGRI Department has a clear line of reporting to the Audit Committee and the Audit Committee determines the remit of the Internal Audit function as conforming to Practice 10.1 of the MCCC 2017. Thus, the GCGRI Department is independent of the activities being audited and is performed with impartiality, proficiency and due professional care.
- The GCGRI Department adopts the standards and principles outlined in the International Professional Practices Framework of the Institute of Internal Auditors.
- Details of the activities undertaken by the GCGRI Department during the year are set out in the Audit Committee Report on pages 118 to 123 of this Annual Report.

Annual Business Plan and Budget

Annual business plans and budgets are prepared by the Company's business units, and are reviewed and approved by the Board. The performance of each business unit is assessed against the approved budget, with explanation on significant variances provided to the Board on a periodic basis allowing timely responses and corrective actions to be taken to mitigate risks.

Documented Policies and Procedures

- The process of development and revision of policies and procedures in MPB is governed by the MPB Policy Management Framework to ensure documents are thoroughly reviewed by the relevant stakeholders, in compliance with the Malaysian laws and regulations and appropriately approved by the authorised authority. The monitoring mechanism is also embedded in the framework to ensure the documents are still relevant and reflect the current business environment.
- During the year under review, 3 existing policies were reviewed and 1 new policy was established to fit the requirements of the current business operations whilst ensuring compliance with the applicable laws and regulations. Details of the revised and newly established policies are as follows:

Revised Policy

- MPB Code of Ethics
- Group Legal Policy
- Group Communications Policy

New Policy

- Group Anti-Corruption Policy

Group Human Resources Policy

- The Group has in place, a comprehensive Human Resources Policy approved by the Board that sets the tone of control consciousness and employee conduct. There is also in place, supporting procedures for the reporting and resolution of actions contravening these policies.
- There are proper guidelines within the Company regarding employment and dismissal, formal training programmes as well as other relevant procedures in place to ensure that staff are competent and adequately guided in carrying out their responsibilities.
- The policy aims to provide guidelines for the acceptable practice of the Group's Human Resource and to state the Group's stance on matters pertaining to Human Resources matters.

Key Performance Indicators (KPI)

- The Group has in place a Performance Management System, which is linked to and guided by the Key Performance Indicators (KPIs) and accountability.

- Key Performance Indicators helps in outlining and evaluating progress towards accomplishing organisational goals. KPIs are quantifiable, established and agreed to beforehand. It reflects the critical success factors of an organisation and also to enhance a department's performance.
- The Performance Management Framework focuses on aligning the Group direction by measuring the revenue growth, operational profit, and quality of revenue to ensure growth towards desired direction.

Limits of Authority

- The Limits of Authority (LOA) stipulates the approving authority of key personnel pertaining to the strategic and operational matters such as policy approval, budget, capital and operating expenditures, human resources matters and execution of contracts.
- During the year, the Group has established the Limits of Authority (LOA) for Print Towers Sdn Bhd (PTSB), a subsidiary of The New Straits Times Press (Malaysia) Berhad.

Code of Ethics

- The Code of Ethics is communicated to all employees and compliance with this Code is mandatory. The Code serves as guiding principles to assist employees to practice high ethical business standards, and it provides guidance on the way business and duties are governed in an efficient, effective and fair manner.
- The No Festive Gift Policy is enforced to complement the existing Employee Code of Ethics. This policy aims to assist employee in conducting business in an environment which is free from conflict of interest, biasness and favouritism.

Anti-Fraud Prevention Manual and Whistleblowing Policy

The Group has established a Fraud Prevention Manual consisting of the Anti-fraud Policy and Whistleblowing Policy. The manual builds into the Group's culture, abhorrence for fraud, and that any conduct of this nature will not be tolerated. It also promotes a transparent and open environment for fraud reporting within the Group whilst protecting the identity of the person who lodges the report.

Anti-Corruption Policy

The Group has established an Anti-Corruption Policy to ensure that the Company's businesses do not participate in corrupt activities for its advantage or benefits. The policy is guided by the Guidelines on Adequate Procedures issued pursuant to section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009 and can be accessed through the Company's website.

Supplier Code of Conduct

- The Board expects all Media Prima Berhad's suppliers to observe high ethical business standards of honesty and integrity and to apply these values to all aspects of their business and professional practices.
- A Supplier Code of Conduct is established in which the Group's minimum expectations on the supplier vis-à-vis legal compliance and ethical business practices are stipulated.
- Suppliers who want to conduct and/or continue conducting business with MPB and its group of companies is required to register with Media Prima Berhad via the Supplier e-Registry ("SUPeR").
- The Code applies to all suppliers, vendors, contractors and any other persons doing business with the Group.

Group Information Technology Initiatives

The Board acknowledges the importance of leveraging on Information Technology ("IT") to promote the effectiveness and efficiency of business operations.

The Group Information Technology Department is continuously reviewing the Group IT Security Policy and Procedures and regularly conducts IT security assessments in order to enhance the cybersecurity defense mechanisms of the group. Staff awareness is also emphasised to educate the staff on their responsibilities to protect the Group's information asset. Several initiatives were undertaken in 2020 such as implementation of a centralised system to manage Media Prima IT assets, implementation of high-availability firewall and enhancement of remote access service to facilitate employees' Work From Home (WFH) arrangement.

Business Continuity Management

Media Prima Berhad's Business Continuity Management (BCM) Framework aims to ensure availability of the Group's core products and services by developing recovery procedures to respond and recover from significant unexpected events which in return, minimising the impact of business disruption and financial losses. A pre-emptive planning in facing unforeseen events, which threaten to disrupt the organisation's value creating activities, is taken seriously by the Group to ensure an appropriate level of business resilience Group-wide. The Board and Management are responsible to ensure Group-wide implementation of sound BCM practices as part of prudent risk management.

Statement on Risk Management and Internal Control

The Group's BCM framework includes establishing and reviewing formal Business Continuity Plans (BCP), setting up core services infrastructure redundancies and alternate sites, creating BCP awareness to key personnel and ensuring testing is carried out periodically. During the year under review, the following initiatives and activities have been successfully rolled out:-

Initiative/ Activities	Purpose
BCP Documents Update	Business Continuity Plan (BCP) documents were reviewed to ensure key people and recovery procedures reflect the current MPB's business environment.
Crisis Communications	Enhanced BCP Crisis Communications Procedure to include pandemic response plan based on announcement of movement control order (MCO) by the Government.
Awareness Programmes	Awareness sessions are conducted annually to update and ensure key employees are aware of the Company recovery strategies. In 2020, the awareness sessions were focused on strategy for pandemic response to the Management, BCP Committee and critical operational personnel.
Simulation/ Testing	The ongoing pandemic response plan had been incorporated as the scope of the simulation that covers Media Prima Berhad's core services, support services, technical testing and crisis communications.

Business Continuity Management team for the Group was established to ensure that business is able to continue its operations in the event a place of business is affected by either disaster, disruption or crisis whilst safeguarding the interest of its key stakeholders, Group's reputation, brands and value-creating activities.

Related Party Transaction

The Board acknowledges the importance to have proper policies and procedures governing Related Party Transaction ("RPT") as part of its corporate obligations. The Group has a duty to disclose in its financial statements, the nature of the related party relationships, the identities of the related parties, as well as the types of transactions and the elements of the transactions necessary for a comprehensive and transparent understanding of the financial statements.

The policy has been established to provide guidelines on proper mechanism in identifying, monitoring, and reporting of RPT based on statutory requirement and to promote better understanding of RPT and prescribe the relevant departments' responsibilities in identifying and maintaining proper records of RPT.

C. CONTROL ENVIRONMENT AND ACTIVITIES

The other key elements of the Group's internal control system include:-

- Monthly reporting of actual results and review against budget, with major variances being followed up and management actions taken, where necessary. The financial results are reviewed by the Board with Management on a quarterly basis, to enable both parties to gauge the Group's achievement of its annual targets and review any key financial and operational issues. The Board reviews regular reports from the Management on the key operating statistics, as well as legal and regulatory matters.
- Regular and comprehensive information provided to Management, covering financial performance and key performance indicators such as advertising market share, television viewership, programme ratings and utilisation of resources.
- Adequate insurance and physical safeguards on major assets are in place to ensure the Group's assets are sufficiently covered against any mishap that could result in material loss for the Group. An annual policy renewal exercise is undertaken by the Management to review the coverage of Group's assets against the prevailing market price for the similar assets.
- Access to company's Intranet System (i.e PeopleConnect) for updated and revised Policies and Procedures of the company, Code of Ethics, Limits of Authority and other information related to the company.
- Monitoring of performance including discussion of any significant issues at Senior Management meetings.
- Content Regulatory Awareness sessions conducted by Regulatory Affairs Department throughout the year as part of the initiatives to impart information and to provide explanation on the rules and regulations governing the broadcast industry based on the Communication and Multimedia Act 1998, Communication and Multimedia Content Forum Content Code and the respective license conditions of each TV Networks, Radio Networks and Print Media. Awareness sessions on Intellectual Property (IP) had been conducted to educate on the importance of protecting the Group's intellectual property.

D. ADEQUACY OF RISK MANAGEMENT & INTERNAL CONTROL

The Board confirms that it has reviewed the effectiveness of the risk management and internal control framework and considers Media Prima Berhad's system of internal control as adequate in safeguarding the shareholders' interests and assets of the Group. The Board also confirms that there is an effective ongoing process for the identification, evaluation and management of significant risks in the Group and is committed to ongoing review of the entire control, compliance and risk management controls.

The Board believes that the development of the system of internal controls is an on-going process and has taken steps throughout the year to improve its internal control system and will continue to do so.

The Group Managing Director and the Acting Group Chief Financial Officer had assured the Board that the Group's risk management and internal control system is operating adequately and effectively in all material aspects, based on the risk management and internal control system of the Group.

Where weaknesses and shortcomings were noted, management has taken appropriate actions to address them. All business platforms and the Group Corporate Governance, Risk Management and Integrity Department (GCGRI) regularly review the processes to ensure the effectiveness of the existing controls. GCGRI monitors the control environment and business processes

in order to ensure that the risk treatments continue to be aligned with the Group's strategic objectives.

The Board is satisfied that the system of risk management and internal control was generally satisfactory. Based on the assessment of the Group's internal control system for the year under review and up to the date of approval of this statement, no significant control failures or weaknesses that would result in material loss, contingency or uncertainty requiring disclosure in the Group's annual report were noted.

E. REVIEW OF STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with Audit and Assurance Practice Guide ("AAPG") 3 2018 issued by the Malaysian Institute of Accountants. AAPG 3 2018 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

The External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of risk management and internal controls system of the Group.

Audit Committee Report

THE BOARD OF MEDIA PRIMA BERHAD IS PLEASED TO PRESENT THE AUDIT COMMITTEE REPORT DESCRIBING THE AUDIT COMMITTEE'S DUTIES AND FUNCTIONS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020.

A. COMPOSITION

The Audit Committee was established on 19 August 2003. The Audit Committee comprises of three (3) Independent Non-Executive Directors and no alternate director is appointed as a member of the Audit Committee.

			
Mohd Rashid bin Mohd Yusof	Lydia Anne Abraham	Mohamad bin Abdullah	Abdullah bin Abu Samah
Independent Non-Executive Director	Independent Non-Executive Director	Non-Independent Non-Executive Director	Independent Non-Executive Director
Appointed as Chairman on 12 June 2018	Appointed as Member on 14 May 2015	Appointed as Member on 3 April 2020	Appointed as Member on 11 March 2021
<ul style="list-style-type: none"> Chairman of Audit Committee. Member of Nomination and Remuneration Committee. 	<ul style="list-style-type: none"> Member of Audit Committee. Chairman of Risk Management Committee. 	<ul style="list-style-type: none"> Member of Audit Committee. Resigned on 18 February 2021 	<ul style="list-style-type: none"> Member of Audit Committee.

The Audit Committee Chairman, Encik Mohd Rashid bin Mohd Yusof, is a Fellow of the Association of Chartered Certified Accountants (ACCA) United Kingdom and a member of the Malaysian Institute of Accountants (MIA).

The current Committee members' profiles, qualification and experience can be found in page 76 to 85 of this Annual Report.

B. MEETINGS

The Audit Committee had held a total of five meetings during financial year 2020 and details of the Committee members' attendance are as follows:-

Audit Committee Meeting	66 th ACM 24 February 2020	67 th ACM 18 May 2020	68 th ACM 24 August 2020	Special ACM 30 September 2020	69 th ACM 16 November 2020

Audit Committee Member	Attendance (%)
Mohd Rashid bin Mohd Yusof (Chairman)	(5 of 5) 100%
Lydia Anne Abraham	(5 of 5) 100%
Mohamad bin Abdullah*	(4 of 4) 100%
Tan Sri Dato' Seri Utama Haji Ismail bin Haji Omar**	(1 of 1) 100%
Datuk Loo Took Gee**	(1 of 1) 100%

* Mohamad bin Abdullah was appointed as Audit Committee Member on 3 April 2020 and resigned on 18 February 2021

** Tan Sri Dato' Seri Utama Haji Ismail bin Haji Omar and Datuk Loo Took Gee resigned as Audit Committee member on 3 April 2020

The Audit Committee met on quarterly basis with full quorum on each meeting. The Group Managing Director, the Acting Group Chief Financial Officer and the Group General Manager, Group Corporate Governance, Risk Management and Integrity were also invited for each meeting to provide clarification on the audit issues raised. The Audit Committee also invited members of the Senior Management or relevant employees within the Group to assist in resolving and clarifying matters raised in the audit reports.

The Company Secretary is the secretary of the Audit Committee. The Company Secretary is responsible for the coordination of administrative details including calling for meetings, voting and keeping of minutes. Minutes of each meeting is signed by the Chairman and extract of matters requiring actions were distributed to all attendees and members of the Committee.

The Audit Committee Chairman briefs the Board on matters discussed at every Audit Committee meeting. The Chairman is also responsible to update the Board on the Committee's activities and make appropriate recommendations when necessary. This is to ensure that the Board is aware of matters that may significantly impact the financial condition or affairs of the Group.

The Committee has the right to convene meetings with both the Internal and External Auditors without the presence of the Management. The Audit Committee had held two meetings with the External Auditors on 24 February 2020 and 24 August 2020 without the presence of the Management and the Executive Director.

The Chairman of the Audit Committee had also held separate meetings with the Group General Manager, Group Corporate Governance, Risk Management and Integrity prior to every scheduled Audit Committee meeting.

C. TERMS OF REFERENCE

The Audit Committee is guided by its Terms of Reference in discharging its functions which is in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the recommendations stipulated in the Malaysian Code on Corporate Governance 2017 and relevant best practices.

The Terms of Reference defines the scope, authority, duties and responsibilities of the Audit Committee, and is incorporated into the Board Charter which is accessible on the Company's official website at www.mediaprime.com.my. The Board Charter is reviewed to enhance its processes and procedures and ensure alignment with any new requirements and regulations. During the year, there was no revision made to the Terms of Reference of the Audit Committee.

D. SUMMARY OF ACTIVITIES IN 2020

The Audit Committee's key focus areas which were included in the Audit Committee meetings throughout the year are summarised below:-

RISKS AND CONTROLS

1. The Audit Committee evaluated the overall effectiveness of the system of internal controls through the review of the results of work performed by the Internal and External Auditors and discussions with Senior Management on a quarterly basis.
2. The Audit Committee had reviewed the Statement on Risk Management and Internal Control and the Audit Committee Report for the financial year 2019 on 24 February 2020 for the inclusion in Media Prima Berhad's Annual Report for 2019.

FINANCIAL RESULTS

1. The Audit Committee had reviewed the Group's quarterly results before recommending to the Board for approval and release of the Group's results to Bursa Malaysia.

The quarterly unaudited financial statements for the first, second and third quarters of 2020 were reviewed at the Audit Committee meetings on 18 May 2020, 24 August 2020 and 16 November 2020, respectively. The quarterly unaudited financial results announcements were made public through Bursa Malaysia on 21 May 2020, 27 August 2020 and 18 November 2020 respectively.

2. The Audit Committee had reviewed the annual financial statements for the financial year ended 2019 at its meeting on 24 February 2020. The relevant announcement was made public on Bursa Malaysia on 26 February 2020.

The Audit Committee had reviewed the annual financial statements of Media Prima Berhad and its subsidiaries with the Group Managing Director, Acting Group Chief Financial Officer and the External Auditors before recommending to the Board for their approval. In the review of the annual financial statements, the Committee had discussed with the Management and the External Auditors regarding the accounting policies and standards that were applied and their judgement of the items that may affect the financial statements.

Audit Committee Report

EXTERNAL AUDIT

1. The Audit Committee had reviewed the results and issues arising from their audit of the year-end financial statements and their resolution of such issues highlighted in the External Auditor's report deliberated on 24 February 2020 with regards to the relevant disclosures in the annual audited financial statements for 2019.
2. The Audit Committee had assessed Messrs PricewaterhouseCoopers ("PwC") independence before recommending for its re-appointment and remuneration. The External Auditors had on 24 February 2020 provided written assurance to the Audit Committee that, in accordance with the terms of all relevant professional and regulatory requirements, they had been independent throughout the audit engagement for 2020.
3. Messrs PwC was reappointed as the External Auditors for the financial year ended 2020 by the shareholders at the Media Prima Berhad 19th Annual General Meeting held on 8 July 2020.
4. The Audit Committee had reviewed with the External Auditors their audit plan, strategy and scope of the statutory audits of the Group accounts for the financial year ended 31 December 2020 on 24 August 2020. The audit plan outlines their scope of work and proposed fees for the statutory audit, assurance-related review and review of the Statement on Risk Management and Internal Control.
5. The Audit Committee had recommended to the Board the proposed audit fees which was duly approved by the Board on 27 August 2020.
6. In relation to the Financial Statements for the Year Ended 31 December 2020, the Audit Committee at its meeting held on 23 February 2021 had been briefed by the External Auditors on the Key Audit Matters included in the External Auditor's Report. Based on the discussion between the Audit Committee and the External Auditors, the Audit Committee is satisfied with the actions taken by the Management in addressing areas, which involved significant degree of judgement and estimates that the External Auditors regard as most significant in the audit of the financial statements of the Group and the Company. Based on audit procedures performed by the External Auditors on these Key Audit Matters, no significant exceptions were noted.

INTERNAL AUDIT

1. The Audit Committee had reviewed the proposed Annual Audit Plan for the financial year ending 31 December 2021 during the 69th Audit Committee Meeting held on 16 November 2020.
2. The Audit Committee had reviewed and deliberated on audit reports, follow-up reports, audit recommendations and Management's responses at Audit Committee's quarterly meetings.
3. The internal audit reports, audit recommendations and Management's action plan regarding these recommendations were deliberated and closely monitored by the Audit Committee. Where appropriate, the Audit Committee requested the Management to rectify and improve the internal control systems based on Group Corporate Governance, Risk Management and Integrity (GCGRI) Department's recommendations and suggestions for improvements.
4. The Audit Committee had reviewed the adequacy of resources and the competencies of staff within the Group Corporate Governance, Risk Management and Integrity Department to ensure it has the required expertise and professionalism to discharge its duties.
5. The Chairman of the Audit Committee had appraised the Group General Manager, Group Corporate Governance, Risk Management and Integrity Department's performance for 2020.

TRAINING

During the year, the Audit Committee members had attended various conferences, seminars and training programmes to enhance their knowledge in order to discharge their duties effectively as well as to improve their technical competencies in their respective fields of expertise.

The trainings attended by the Committee members are reported in the Corporate Governance Overview Statement on page 98 to 99 of this Annual Report.

E. GROUP CORPORATE GOVERNANCE, RISK MANAGEMENT AND INTEGRITY DEPARTMENT

The Group has an established in-house Internal Audit function carried out by the Group Corporate Governance, Risk Management and Integrity (GCGRI) Department. All internal audit activities during the financial year were conducted by the Department. There was no area of the internal audit function that had been outsourced during the year.

The GCGRI Department is headed by the Group General Manager, Encik Sere Mohammad bin Mohd Kasim who reports to the Audit Committee. He is a Chartered Member of The Institute of Internal Auditors Malaysia (CIIA) and a Certified Internal Auditor (CIA) of The Institute of Internal Auditors Inc, USA. He holds a Bachelor of Business Administration (Hons.) Finance and is also a Certified Integrity Officer (CIIo) accorded by the Malaysian Anti-Corruption Commission.

The activity of the GCGRI Department are guided by the Internal Audit Charter that defines the roles, responsibilities, accountability and scope of work of the GCGRI Department. All internal audit activities in 2020 were performed in-house by a group of 7 internal auditors from various background and competencies.

The total costs incurred by the GCGRI Department in discharging its functions and responsibilities in 2020 amounted to RM 1,408,015 (2019: RM 1,608,122) comprising mainly of staff costs, travelling, training and professional membership subscriptions.

The Group Corporate Governance, Risk Management and Integrity Department is contactable via gcg@mediaprima.com.my.

Independence and Objectivity

The Group Corporate Governance, Risk Management and Integrity (GCGRI) Department's activities remain free from interference by any element in the organisation, including matters of audit selection, scope, procedures, frequency, timing or report content, in order to maintain the necessary independent and objective attitude. The GCGRI Department has no direct operational responsibility or authority over any of the activities reviewed.

The GCGRI Department, through a systematic and structured approach is responsible for the following:-

1. Providing independent assurance to the Board and Management that adequate and effective internal control system is in place to safeguard the Group's assets;
2. Recommending improvements and enhancements to the existing system of internal controls and work procedures/processes; and
3. Reference point to ensure effective implementation of policies and procedures and as a catalyst to promote best corporate governance practices.

The GCGRI Department is a corporate member of The Institute of Internal Auditors Malaysia ("IIAM"). As a member, GCGRI Department is entitled to access to books, publications, research papers, survey reports and other reference materials to enhance knowledge, attend courses for continuous professional development and a wide range of educational products.

As a corporate subscriber of the Minority Shareholder Watchdog Group ("MSWG"), the GCGRI Department receives MSWG's weekly E-newsletter "The Observer", access to the MSWG Monitoring Services, ASEAN Corporate Governance Scorecard, publications and access to online Malaysian-ASEAN Corporate Governance materials.

Scope and Coverage

The scope of coverage encompasses all units and operations of the Group, including the subsidiaries. The selection of units to be reviewed is premised on a risk based approach which provides flexibility needed to address emerging current risks as well as potential future risks. This enhances the ability of the Group Corporate Governance, Risk Management and Integrity (GCGRI) Department to focus its resources and skills in ensuring alignment with business strategy and goals, thus maintaining relevance and driving continuous improvements within the Group.

Audit Committee Report

The scope of internal audit engagements had been developed by taking into consideration the Group Risk Profile and Business Plan for 2020. The key audit areas performed in 2020 were as follows:-

NO.	REVIEW	AUDIT COMMITTEE MEETING / DATE
1	Product Performance - All Platforms	68 th / 24 August 2020
2	Cloud Governance & Security - All Platforms	68 th / 24 August 2020
3	Fixed Asset Management - All Platforms	69 th / 16 November 2020
4	Treasury Management - All Platforms	69 th / 16 November 2020
5	Procurement - All Platforms	70 th / 23 February 2021
6	Business Continuity Management - All Platforms	70 th / 23 February 2021
7	Follow-up Report	67 th to 70 th / 18 May 2020, 24 August 2020, 16 November 2020 and 23 February 2021

The corresponding reports of the audit performed were presented to the Audit Committee and forwarded to the Management for attention and corrective actions.

The Management is responsible for ensuring that corrective actions on reported weaknesses are implemented within the required timeframe. GCGRI Department continuously monitor the implementation of audit recommendations through periodic follow-up reviews.

GCGRI Department also works closely with the External Auditors to resolve any control issues and assists in ensuring that appropriate management actions are taken.

During the year, the following activities were also carried out by the GCGRI Department:-

- Independent verification of results and/or votes at competition-based programmes organised by the Group such as Anugerah Juara Lagu 34, Lagu Cinta Kita 2, Gaji Seumur Hidup, Anugerah Bintang Popular Berita Harian 33, Vokal Mania and Muzik-Muzik;
- Participated in tender opening process for procurement and disposal of fixed assets so as to ensure that due process had been observed and complied with according to the approved Policies and Procedures;
- Communication sessions with Management on internal audit activities and planning of audits to ensure that areas of Management concern are covered; and
- Completion of the Corporate Governance Overview Statement, the Statement on Risk Management and Internal Control and the Audit Committee Report for Media Prima Berhad's Annual Report 2020.

Practices and Framework

In order to ensure standardisation and consistency in providing assurance on the adequacy and effectiveness of the overall system of internal controls, all auditing activities of the Group Corporate Governance, Risk Management and Integrity Department are conducted in line with the Group's objectives and policies and in accordance with applicable laws and regulations and relevant policies and guidelines as prescribed by the International Professional Practices Framework (IPPF) promulgated by the Institute of Internal Auditors.

Quality Assurance Review

In complying with the requirement of the International Standards for the Professional Practice of Internal Auditing ("Standards"), Media Prima Berhad had in 2017 engaged The Institute of Internal Auditors Malaysia ("IIAM") to conduct an external quality assurance review on the Group Corporate Governance, Risk Management and Integrity's internal audit processes. The IIAM had provided broad recommendations to enhance the ability of the Group Corporate Governance, Risk Management and Integrity Department to render effective internal audit services to its stakeholders.

Professional Qualifications and Continuous Competency Development

The Group Corporate Governance, Risk Management and Integrity (GCGRI) Department is committed to equip MPB's internal auditors with sufficient knowledge, skills and competencies to discharge their duties and responsibilities. In order to improve staff retention and to enhance professional competency within the department, the Audit Committee and management had agreed to reimburse the registration and examination fees of the Certified Internal Auditor (CIA) programme coordinated by The Institute of Internal Auditors, upon successful completion of the examination.

The GCGRI Department personnel had also attended various trainings and/or conferences during the year in order to enhance their skills and knowledge and to continuously provide value added services to the Group. Each training programme attended will be followed by an internal knowledge sharing session. Trainings attended in 2020 include:-

INTERNAL	
CONFERENCES/SEMINARS/COURSES TITLE	DATE
Related Party Transaction and Recurrent Related Party Transaction Training	17 February 2020
Google Hangout Meet Training	1 April 2020
Speaking in Public	9 April 2020
Basic Machine Learning	5 May 2020
Intro to Digital Wellbeing	19 May 2020
Communicate Effectively at Work	2 June 2020
Ken Blanchard on Servant Leadership	22 July 2020
Section 17A MACC Acts Awareness Talk	9 September 2020

EXTERNAL		
CONFERENCES/SEMINARS/COURSES TITLE	DATE	TRAINER/ORGANISER
Audit Analytics with Tableau	21 January 2020	IIA Malaysia
Tea Talk : Digital Resilience - New Way to Combat Cybersecurity	14 February 2020	Institute of Enterprise Risk Practitioners
Corporate Liability, Adequate Procedures & ISO 37001 Anti Bribery Management System	20 February 2020	IIA Malaysia
CAE Summit 2020 - Assurance In Real Time	8 September 2020	IIA Malaysia
IIA Malaysia Conference 2020 - Braving Uncertainty	4-5 November 2020	IIA Malaysia
Ethics for Internal Auditors Workshop	30 November 2020	IIA Malaysia
Internal Auditor's Role in Business Continuity Management	4 December 2020	IIA Malaysia
ACL101 : Foundations of ACL	14-16 December 2020	Assuring Group
Internal Audit Leadership Forum 2020 -Time To Act!	17 December 2020	IIA Malaysia

This Audit Committee Report is made on the recommendation of the Audit Committee which was approved by the Board of Directors on 25 February 2021.

Risk Management Committee Report

MEDIA PRIMA BERHAD ("MPB") RECOGNISES THAT HAVING A ROBUST AND EFFECTIVE RISK MANAGEMENT SYSTEM IS CRITICAL TO ACHIEVE CONTINUED PROFITABILITY AND SUSTAINABLE GROWTH IN SHAREHOLDER VALUE IN TODAY'S GLOBALISED AND INTER-LINKED FINANCIAL AND ECONOMIC ENVIRONMENT.

Risk Management Committee ("RMC") is cognisant of its responsibility in minimising uncertainties that could impair MPB from achieving its strategic objectives in cruising through this challenging period.

MPB Risk Management Framework, which was developed based on ISO 31000:2018 Risk Management Guidelines, has been the fundamental orientation in formulating mitigation plans to ensure risks are soundly managed. RMC continues to be involved in determining risk appetite, identifying, assessing and monitoring strategic risks, emerging risks and potential disruptions to the MPB's value creating services including advising on mitigation strategy and measures.

A. RESPONSIBILITY AND DUTIES

- The duties of the RMC shall include:
 - Assessment and monitoring of all risks associated with the operations of the Group;
 - Development and implementation of internal compliance and control systems, and procedures to manage risk;
 - Assessment and monitoring of the effectiveness of controls instituted;
 - Review and make recommendations on behalf of the Board in relation to risk management;
 - To consider and make recommendations on behalf of the Board in connection with the compliance by the Group with its risk management strategy;
 - To report to the Board on any material changes to the risk profile of the Group;
 - To monitor and refer to the Board any instances involving material breaches or potential breaches of the Group's risk management strategy; and
 - To report to the Board, when necessary, in connection with the Group's annual reporting responsibilities to Bursa Malaysia in relation to matters pertaining to the Group's risk management strategy.
- RMC shall have the authority to seek any information it requires from any officer or employee of the company or its subsidiary companies and such officers or employees shall be required to respond to such enquiries.
- RMC may, as and when deemed necessary, invite other Board members and management personnel to attend the meetings where risk management issues are discussed.
- RMC has the authority to direct special investigations on behalf of the Board, into significant risk management activities, as and when necessary.
- RMC is authorised to take such independent professional advice as it considers necessary.
- RMC shall make recommendations to the Board but shall have no executive powers with regards to its findings and recommendations.

B. COMMITTEE MEMBERS

	Lydia Anne Abraham (Chairman)
	Raja Datuk Zaharaton binti Raja Zainal Abidin
	Hisham bin Zainal Mokhtar (Resigned from Committee on 1 April 2021)
	Dato' Sivananthan A/L Shanmugam (Appointed as Committee member on 15 April 2020)

- The Chairperson will call a meeting of the RMC if so directed by the Board. The Chairperson will call a meeting of the RMC if so requested by any Committee Member or the Group Managing Director ("GMD").

- The Secretary is responsible for the coordination of administrative details including calling the meetings, voting and keeping of minutes.

D. ATTENDANCE AT MEETINGS

Member	Attendance
Lydia Anne Abraham (Chairman)	4/4
Raja Datuk Zaharaton binti Raja Zainal Abidin	4/4
Hisham bin Zainal Mokhtar (Resigned from Committee on 1 April 2021)	4/4
Tan Sri Dato' Seri Utama Hj Ismail bin Hj Omar (Resigned from Committee on 3 April 2020)	1/1

E. RISK MANAGEMENT COMMITTEE REPORT

- Risk Management Framework - The framework adopted by the Group incorporated the latest risk management processes on a coordinated and integrated basis. To keep the framework relevant in order to support the ever evolving business, the Group will review the framework on a needed basis.
- The framework is designed to realise the Group's objectives, set forth in four (4) categories:
 - Corporate - High level goals aligned with and supporting the Group mission.
 - Operations - Effective and efficient use of the Group resources.
 - Reporting - Reliability of reporting.
 - Compliance - Compliance with applicable laws and regulations.

C. MEETINGS

- To form a quorum in respect of a meeting of the Committee shall be a minimum of three (3) members.
- Meeting of the Committee shall be held at least four (4) times per year.

Risk Management Committee Report

- Review of Corporate Risks
 - At corporate level, the risks and mitigations deliberated by the Committee is centred around the following risk areas:

Business Sustainability 	Continuation or rapid unexpected movement control order (MCO, EMCO, CMCO etc) by the Government leads to interruption in business activities resulted in loss of potential revenue.
Market Expectation 	New normal changes the routine of people's behaviour and economic cycle. Challenges in constructing and delivering best content (products) is key to stay relevant to the targeted audience.
Transformation & Innovation 	Focus and experiment in new business model is crucial to ensure ability in competition and protecting the ecosystem to grow market share.
Operations Design 	The dynamic environment of digital evolution require drastic and continuous improvement in business processes for better optimization to deliver quality products and services.
People 	Rationalization of manpower provide opportunity to learn new skill and knowledge to create entrepreneur mindset for future business challenges. Safety of people is critical during the Pandemic crisis to ensure continuity in critical operations.
- Review of Business Continuity Management
 - On a regular basis, the RMC will deliberate the risks relating to business disruption and discuss on the mitigation strategy to ensure the core business operations are able to operate in the event of a disaster. The mitigation strategy is translated into Business Continuity Plan ("BCP") and is tested annually to assess the readiness and effectiveness. The results of the testing will be presented to the RMC.
 - As part of the Group ongoing simulation programme, the BCP is continuously being enhanced and tested. In this year's BCP simulation, the Group has incorporated the Pandemic environment as the simulation assessment to ensure critical operations are protected in the BCP simulation scope.
- Review of Risks and Risk Controls
 - On quarterly basis, top risks of the Group were reported and reviewed by the senior management. Key and material risks were then escalated to RMC for deliberation of the controls and policy in place to mitigate or treat these risks.
- Review of Corruption Risks
 - On an annual basis, corruption risks of the Group were assessed and reviewed to continuously improve existing controls and ensure that they are adequate. Key and material risks were then escalated to RMC for deliberation of controls and policy to mitigate or treat these risks.



OUR NUMBERS

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Directors' Report

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2020.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services to its subsidiaries.

The principal activities of the Group consist of commercial television and radio broadcasting, publishing, printing, sale and distribution of newspapers, home shopping network, provision of internet and digital-based media, provision of outdoor advertising space and related production services, media content production and distribution, property management services, and other media industry related services.

There have been no significant changes in the nature of these principal activities during the financial year.

The principal activities and details of the subsidiaries and associates are set out in Note 16 and Note 17 to the financial statements respectively.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Net loss for the financial year	18,086	49,635
Attributable to:		
Owners of the Company	18,378	49,635
Non-controlling interests	(292)	-
Net loss for the financial year	18,086	49,635

DIVIDENDS

No dividend has been paid or declared since the end of the Company's previous financial year.

The Directors do not recommend the payment of any dividend for the financial year ended 31 December 2020.

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

DIRECTORS

The Directors in office during the financial year and during the period from the end of the financial year to the date of the report are:

Datuk (Dr) Syed Hussain bin Syed Junid	
Dato' Iskandar Mizal bin Mahmood	
Lydia Anne Abraham	
Raja Datuk Zaharaton binti Raja Zainal Abidin	
Mohd Rashid bin Mohd Yusof	
Hisham bin Zainal Mokhtar	
Mohd Rafiq bin Mat Razali	(Appointed on 18 February 2021)
Abdullah bin Abu Samah	(Appointed on 11 March 2021)
Datuk Kamal bin Khalid	(Resigned on 31 March 2020)
Tan Sri Dato' Seri Utama Haji Ismail bin Haji Omar	(Resigned on 1 June 2020)
Datuk Loo Took Gee	(Resigned on 1 June 2020)
Mohamad bin Abdullah	(Resigned on 18 February 2021)

Pursuant to Section 253 of the Companies Act 2016, the names of Directors of subsidiaries are set out in the respective subsidiaries financial statements and the said information is deemed incorporated herein by such reference and made part thereof.

The Company maintains a corporate liability insurance for the Directors and officers of the Group and Company throughout the financial year, which provides appropriate insurance cover for the Directors and officers of the Group and Company. The insurance premium paid by the Company for the financial year ended 31 December 2020 amounted to RM48,770.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than Directors' remuneration and benefits-in-kind disclosed in Note 10 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year was the Company and any of its subsidiaries a party to any arrangements whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

According to the Register of Directors' shareholdings required to be kept under Section 59 of the Companies Act 2016, none of the Directors who held office at the end of the financial year held any interest in shares or debentures in the Company or its subsidiaries during the financial year except as follows:

	Number of ordinary shares			
	At 1.1.2020	Additions	Disposals	At 31.12.2020
<u>Shares in the Company</u>				
Datuk (Dr) Syed Hussain bin Syed Junid - direct interest	15,295	2,000,000	-	2,015,295

Datuk (Dr) Syed Hussain bin Syed Junid as a Director who held office at the financial year end had acquired additional 3,000,000 ordinary shares during the period from the end of the financial year to the date of the report.

Directors' Report

DIRECTORS' REMUNERATION

Details of Directors' remuneration are set out in Note 10 to the financial statements.

OTHER STATUTORY INFORMATION

(a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (ii) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount the current assets which they might be expected so to realise.

(b) At the date of this report, the Directors are not aware of any circumstances:

- (i) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(c) At the date of this report, there does not exist:

- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
- (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year except as disclosed in Note 33 to the financial statements.

(d) No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Group or of the Company to meet their obligations when they fall due.

(e) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

(f) In the opinion of the Directors:

- (i) the results of the Group's and of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature except as disclosed in the financial statements; and
- (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

AUDITORS' REMUNERATION

Details of auditors' remuneration are set out in Note 8 to the financial statements.

AUDITORS

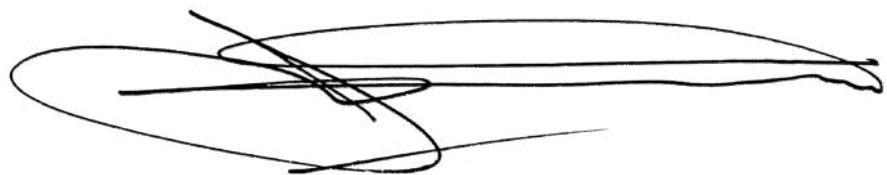
The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to continue in office.

This report was approved by the Board of Directors on 11 March 2021. Signed on behalf of the Board of Directors:



DATUK (DR) SYED HUSSIAN BIN SYED JUNID
GROUP CHAIRMAN

Petaling Jaya
11 March 2021



DATO' ISKANDAR MIZAL BIN MAHMOOD
GROUP MANAGING DIRECTOR

Statements of Comprehensive Income

For the Financial Year Ended 31 December 2020

	Note	Group		Company	
		2020	2019	2020	2019
		RM'000	RM'000	RM'000	RM'000
Revenue	4	1,041,565	1,106,039	59,074	105,641
Other operating income		17,249	15,371	418	27
Amortisation of intangible assets		(97,324)	(132,056)	-	-
Content production and other media costs		(39,505)	(37,757)	-	-
Newsprint and newspaper production costs		(28,938)	(51,607)	-	-
Outdoor display and production costs		(48,914)	(66,410)	-	-
Cost of home shopping goods sold		(212,858)	(157,431)	-	-
Transmission, technology and distribution costs		(73,988)	(73,304)	-	-
Employee benefits costs	6	(297,500)	(426,469)	(37,186)	(68,942)
Occupancy costs		(24,703)	(41,871)	(4,727)	(19,122)
Depreciation		(111,137)	(123,296)	(1,120)	(710)
Impairment of non-current assets	7	-	(39,863)	(44,448)	(207,166)
Net loss on impairment of financial instruments		(10,843)	(449)	-	(6,920)
Other operating costs		(110,792)	(135,296)	(13,823)	(23,019)
Profit/(loss) from operations	8	2,312	(164,399)	(41,812)	(220,211)
Finance income	9	6,704	7,697	1,996	1,789
Finance cost	9	(14,652)	(16,428)	(9,543)	(11,840)
Share of results of associates		(151)	129	-	-
Loss before taxation		(5,787)	(173,001)	(49,359)	(230,262)
Taxation	11	(12,299)	(12,487)	(276)	(605)
Net loss for the financial year		(18,086)	(185,488)	(49,635)	(230,867)
Other comprehensive expense:					
- Revaluation of financial assets at fair value through other comprehensive income	20	-	(1,784)	-	-
Total comprehensive loss for the financial year		(18,086)	(187,272)	(49,635)	(230,867)

		Group	
	Note	2020 RM'000	2019 RM'000
Loss attributable to:			
- Owners of the Company		(18,378)	(177,850)
- Non-controlling interest		292	(7,638)
		(18,086)	(185,488)
Total comprehensive loss attributable to:			
- Owners of the Company		(18,378)	(179,601)
- Non-controlling interest		292	(7,671)
		(18,086)	(187,272)
Loss per share:			
- Basic (sen)	12	(1.66)	(16.03)
- Diluted (sen)	12	(1.66)	(16.03)

Statements of Financial Position

As At 31 December 2020

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
NON-CURRENT ASSETS					
Property, plant and equipment	13	210,396	246,823	1,334	522
Right-of-use assets	14	157,017	217,110	1,253	1,897
Investment properties	15	28,136	28,864	-	-
Subsidiaries	16	-	-	895,838	940,286
Associates	17	2,678	2,829	-	-
Intangible assets	18	387,139	395,889	-	-
Deferred tax assets	19	11,584	12,475	-	-
Financial assets at fair value through other comprehensive income	20	688	688	-	-
		797,638	904,678	898,425	942,705
CURRENT ASSETS					
Inventories	21	24,097	6,433	-	-
Trade and other receivables	22	232,992	250,103	5,498	10,316
Amounts due from subsidiaries	23	-	-	66,306	95,585
Current tax recoverable		8,354	16,595	-	68
Deposits, cash and bank balances	24	303,783	257,144	125,717	47,799
		569,226	530,275	197,521	153,768
Non-current assets held for sale	25	225	225	-	-
TOTAL ASSETS		1,367,089	1,435,178	1,095,946	1,096,473
NON-CURRENT LIABILITIES					
Borrowings	26	79,583	-	79,583	-
Lease liabilities	14	144,790	186,330	735	1,327
Amounts due to subsidiaries	23	-	-	189,421	203,994
Deferred tax liabilities	19	37,501	37,383	-	-
		261,874	223,713	269,739	205,321

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
CURRENT LIABILITIES					
Trade and other payables	27	444,589	548,356	42,968	27,103
Lease liabilities	14	40,291	61,151	614	632
Amounts due to subsidiaries	23	-	-	97,993	161,689
Borrowings	26	45,902	4,688	32,500	-
Current tax payable		1,366	1,117	39	-
		532,148	615,312	174,114	189,424
TOTAL LIABILITIES		794,022	839,025	443,853	394,745
 EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY					
Share capital	28	1,524,735	1,524,735	1,524,735	1,524,735
Other reserves	29	4	4	-	-
Accumulated losses		(947,825)	(926,040)	(872,642)	(823,007)
		576,914	598,699	652,093	701,728
NON-CONTROLLING INTERESTS		(3,847)	(2,546)	-	-
TOTAL EQUITY		573,067	596,153	652,093	701,728
TOTAL LIABILITIES AND EQUITY		1,367,089	1,435,178	1,095,946	1,096,473

* Net assets per share is calculated by dividing the net assets (excluding portion allocated to non-controlling interest) of the Group by the number of ordinary shares in issue at the statement of financial position date.

Consolidated Statement of Changes in Equity

For The Financial Year Ended 31 December 2020

	Note	Attributable to owners of the Company				Non-controlling interests RM'000	Total equity RM'000			
		Share capital RM'000	Other reserves RM'000	Accumulated losses RM'000	Total RM'000					
GROUP										
2020										
As at 1 January 2020		1,524,735	4	(926,040)	598,699	(2,546)	596,153			
Net loss and total comprehensive loss for the financial year		-	-	(18,378)	(18,378)	292	(18,086)			
<u>Transaction with owners:</u>										
Acquisition of additional interest in a subsidiary	16(a)	-	-	(3,407)	(3,407)	(1,593)	(5,000)			
At 31 December 2020		1,524,735	4	(947,825)	576,914	(3,847)	573,067			
2019										
As at 1 January 2019		1,524,735	1,755	(748,190)	778,300	3,252	781,552			
Net loss for the financial year		-	-	(177,850)	(177,850)	(7,638)	(185,488)			
Other comprehensive expense:										
- Revaluation of financial assets at fair value through other comprehensive income	29	-	(1,751)	-	(1,751)	(33)	(1,784)			
Total comprehensive loss for the financial year		-	(1,751)	(177,850)	(179,601)	(7,671)	(187,272)			
<u>Transaction with owners:</u>										
Acquisition of a subsidiary	16(b)	-	-	-	-	1,873	1,873			
At 31 December 2019		1,524,735	4	(926,040)	598,699	(2,546)	596,153			

Statement of Changes in Equity

For The Financial Year Ended 31 December 2020

	Share capital RM'000	Accumulated losses RM'000	Total equity RM'000
COMPANY			
2020			
At 1 January 2020	1,524,735	(823,007)	701,728
Net loss and total comprehensive loss for the financial year	-	(49,635)	(49,635)
At 31 December 2020	1,524,735	(872,642)	652,093
2019			
At 1 January 2019	1,524,735	(592,140)	932,595
Net loss and total comprehensive loss for the financial year	-	(230,867)	(230,867)
At 31 December 2019	1,524,735	(823,007)	701,728

Statements of Cash Flows

For the Financial Year Ended 31 December 2020

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss for the financial year	(18,086)	(185,488)	(49,635)	(230,867)
Adjustments for:				
Intangible assets				
- Amortisation	97,324	132,056	-	-
- Impairment	-	16,665	-	-
- Write offs	-	38	-	-
Property, plant and equipment				
- Depreciation	53,532	59,376	476	118
- Loss/(gain) on disposals	488	(443)	-	-
- Impairment	-	23,039	-	-
- Write offs	172	270	-	-
Right-of-use assets				
- Depreciation	56,877	62,591	644	592
- Loss on termination of leases	1,438	-	-	-
Investment properties				
- Depreciation	728	1,329	-	-
- Impairment	-	159	-	-
Non-current assets held for sale				
- Gain on disposals	-	(2,221)	-	-
Finance cost	14,652	16,428	9,543	11,840
Writeback of provision for inventory obsolescence	-	(97)	-	-
Inventories written down	229	-	-	-
Impairment of investment in subsidiaries	-	-	44,448	207,166
Share of results of associates	151	(129)	-	-
COVID-19 related rent concessions	(9,030)	-	-	-
Contra arrangement revenue	(25)	(319)	-	-
Net unrealised foreign exchange gain	(11)	(72)	-	-
Dividend income	-	-	(20,020)	(15,002)
Finance income	(6,704)	(7,697)	(1,996)	(1,789)
Taxation	12,299	12,487	276	605
Net (reversal)/charge of termination benefits	(13,513)	78,071	349	15,238
Net loss on impairment of financial instruments				
- Trade and other receivables	10,843	449	-	-
- Amounts due from subsidiaries	-	-	-	6,920
	201,364	206,492	(15,915)	(5,179)

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)				
Changes in working capital:				
Inventories	(17,893)	13,833	-	-
Receivables	6,293	5,108	4,818	(903)
Payables	(97,764)	12,907	14,965	(7,292)
Intangible assets - acquisition of programme and film rights	(87,594)	(107,643)	-	-
Amounts due from subsidiaries	-	-	19,533	6,159
Cash flows generated from/(used in) operations	4,406	130,697	23,401	(7,215)
Net income tax (paid)/refunded	(2,800)	5,698	(169)	(657)
Net cash flows generated from/(used in) operating activities	1,606	136,395	23,232	(7,872)
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of a subsidiary (net of cash acquired)	-	(1,642)	-	-
Acquisition of interest in associates	-	(2,460)	-	-
Settlement of deferred purchase consideration				
- Subsidiary	(780)	-	-	-
- Associate	(240)	-	-	-
Property, plant and equipment				
- Additions	(9,660)	(18,629)	(735)	(254)
- Proceeds from disposals	436	974	-	-
Non-current assets held for sale				
- Proceeds from disposals	-	3,350	-	-
Intangible assets (excluding programmes and film rights)				
- Additions	(980)	(1,999)	-	-
Finance income received	6,704	7,697	1,996	1,789
Dividends received	-	-	20,020	15,002
Net cash flow (used in)/generated from investing activities	(4,520)	(12,709)	21,281	16,537

Statements of Cash Flows

For the Financial Year Ended 31 December 2020

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM FINANCING ACTIVITIES				
Drawdown of borrowings	187,686	25,109	153,509	-
Repayment of borrowings	(65,463)	(24,590)	(40,000)	-
Repayment of intercompany loans	-	-	(75,000)	-
Payment of principal element of lease liabilities	(51,592)	(60,816)	(610)	(555)
Acquisition of non-controlling interests	(5,000)	-	-	-
Increase in restricted bank balances	(12,280)	-	(12,280)	-
Finance cost paid				
- Borrowings	(4,993)	(152)	(4,402)	-
- Lease liabilities	(11,085)	(16,207)	(92)	(109)
Net cash flow generated from/(used in) financing activities	37,273	(76,656)	21,125	(664)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR				
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	34,359	47,030	65,638	8,001
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR (NOTE 24)	291,303	256,944	113,437	47,799

Analysis of debt reconciliations are disclosed in Note 14, 23 and 26 to the financial statements.

The notes on pages 141 to 231 form an integral part of these financial statements.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

1 CORPORATE INFORMATION

The principal activities of the Company are investment holding and the provision of management services to its subsidiaries.

The principal activities of the Group consist of commercial television and radio broadcasting, publishing, printing, sale and distribution of newspapers, home shopping network, provision of internet and digital-based media, provision of outdoor advertising space and related production services, media content production and distribution, property management services, and other media industry related services.

There have been no significant changes in the nature of these principal activities during the financial year.

The principal activities of the subsidiaries and associates are set out in Note 16 and Note 17 to the financial statements respectively.

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of the Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The address of the registered office and principal place of business of the Company is as follows:

Balai Berita Anjung Riong
No. 31 Jalan Riong, Bangsar
59100 Kuala Lumpur.

The financial statements have been approved for issuance in accordance with a resolution of the Board of Directors on 11 March 2021.

2 SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements.

(a) Basis of preparation

The financial statements of the Group and Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared under the historical cost convention, except as disclosed in this summary of significant accounting policies.

The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group's and Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- (a) Basis of preparation (continued)
 - (i) Amendments to published standards that are effective and applicable to the Group and Company

The Group and Company have applied the following amendments for the first time for the financial year beginning on 1 January 2020:

- Amendments to Reference to the Conceptual Framework for Financial Reporting (Revised 2018)
- Amendments to MFRS 101 and MFRS 108 'Definition of Material'
- Amendments to MFRS 3 'Definition of a Business'
- Amendments to MFRS 9, MFRS 139 and MFRS 7 'Interest Rate Benchmark Reform'

The amendments listed above did not have any significant impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

- (ii) Standards early adopted by the Group and Company

The Group and Company have elected to early adopt Amendments to MFRS 16 'COVID-19 Related Rent Concessions' for the first time in the financial statements for the financial year 2020; with the date of initial application of 1 January 2020, which resulted in changes in accounting policies.

On adoption of the MFRS 16 amendment, the Group and Company are not required to assess whether a rent concession that occurs as a direct consequence of the COVID-19 pandemic and meet specified conditions is a lease modification.

The Group and Company account for such COVID-19-related rent concession as a variable lease payment in the period(s) in which the event or condition that triggers the reduced payment occurs.

In accordance with the transitional provisions provided in the MFRS 16 amendment, the comparative information for 2019 was not restated and continued to be reported under the previous accounting policies in accordance with the lease modification principles in MFRS 16. These amendments had no impact to the retained earnings on 1 January 2020.

The impact of the early adoption is disclosed in Note 14(d) to the financial statements.

- (iii) Amendments to published standards have been issued but not yet effective and applicable to the Group and Company

A number of amendments to standards are effective for financial year beginning after 1 January 2021. None of these are expected to have a significant effect on the Group and Company.

- Annual Improvements to MFRS 9 'Fees in the 10% test for derecognition of financial liabilities' (effective 1 January 2022) clarifies that only fees paid or received between the borrower and the lender, including the fees paid or received on each other's behalf, are included in the cash flow of the new loan when performing the 10% test.

An entity shall apply the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(iii) Amendments to published standards have been issued but not yet effective and applicable to the Group and Company (continued)

- Amendments to MFRS 3 'Reference to Conceptual Framework' (effective 1 January 2022) replace the reference to Framework for Preparation and Presentation of Financial Statements with 2018 Conceptual Framework. The amendments did not change the current accounting for business combinations on acquisition date.

The amendments provide an exception for the recognition of liabilities and contingent liabilities should be in accordance with the principles of MFRS 137 'Provisions, contingent liabilities and contingent assets' and IC Interpretation 21 'Levies' when falls within their scope. It also clarifies that contingent assets should not be recognised at the acquisition date.

The amendments shall be applied prospectively.

- Amendments to MFRS 116 'Proceeds before Intended Use' (effective 1 January 2022) prohibit an entity from deducting from the cost of a property, plant and equipment the proceeds received from selling items produced by the property, plant and equipment before it is ready for its intended use. The sales proceeds should instead be recognised in the statement of comprehensive income.

The amendments also clarify that testing whether an asset is functioning properly refers to assessing the technical and physical performance of the property, plant and equipment.

The amendments shall be applied retrospectively.

- Amendments to MFRS 137 'onerous contracts—cost of fulfilling a contract' (effective 1 January 2022) clarify that direct costs of fulfilling a contract include both the incremental cost of fulfilling the contract as well as an allocation of other costs directly related to fulfilling contracts. The amendments also clarify that before recognising a separate provision for an onerous contract, impairment loss that has occurred on assets used in fulfilling the contract should be recognised.

The amendments shall be applied retrospectively.

- Amendments to MFRS 101 'Classification of liabilities as current or non-current' (effective 1 January 2023) clarify that a liability is classified as non-current if an entity has a substantive right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

A liability is classified as current if a condition is breached at or before the reporting date and a waiver is obtained after the reporting date. A loan is classified as non-current if a covenant is breached after the reporting date.

The amendments shall be applied retrospectively.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The existence and effect of potential voting rights are considered only when such rights are substantive when assessing control.

The amount due from subsidiaries of which the Company does not expect repayment in the foreseeable future are considered as part of the Company's investment in subsidiaries.

(ii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

The Group applies the acquisition method to account for business combinations. The consideration transferred for acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

In a business combination achieved in stages, the carrying value of the acquirer's previously held equity interest in the acquiree is remeasured at its acquisition date fair value and the resulting gain or loss is recognised in the statement of comprehensive income.

The excess of the consideration transferred, the amount of any Non-Controlling Interest ('NCI') in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the gain is recognised in the statement of comprehensive income. Refer to Note 2(e)(ii) for accounting policy on goodwill.

NCI is the equity in a subsidiary not attributable, directly or indirectly, to a parent. On an acquisition-by-acquisition basis, the Group measures any NCI in the acquiree either at fair value or at the NCI's proportionate share of the acquiree's identifiable net assets. At the end of reporting period, NCI consists of amount calculated on the date of combinations and its share of changes in the subsidiary's equity since the date of combination.

All earnings and losses of the subsidiary are attributed to the parent and the NCI, even if the attribution of losses to the NCI results in a debit balance in the shareholders' equity.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of consolidation (continued)

(iii) Changes in ownership interest

When the Group ceases to consolidate because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the statement of comprehensive income. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income ("OCI") in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in OCI are reclassified to profit or loss. Gains or losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the subsidiaries sold.

(iv) Transactions with non-controlling interests

The Group applies a policy of treating transactions with non-controlling interests as transactions with equity owners to the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share of the carrying value of net assets of the subsidiary acquired is deducted from equity. For disposals to non-controlling interests, differences between any proceeds received and the relevant share of non-controlling interests are also recognised in equity.

(v) Associates

Associates are those corporations, partnerships or other entities in which the Group has significant influence, but which it does not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Significant influence is the power to participate in the financial and operating policy decisions of the associates but not the power to exercise control over those policies.

Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment losses.

The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in reserves is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. If the Group's share of losses of an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses. The interest in an associate is the carrying amount of the investment in the associate under the equity method together with any long-term interests that, in substance, form part of the Group's net investment in the associate. After the Group's interest is reduced to zero, additional losses are provided for, and a liability is recognised, only to the extent that the investor has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in the statements of comprehensive income.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates and unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

Where necessary, in applying the equity method, adjustments are made to the financial statements of associates to ensure consistency of accounting policies with those of the Group.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of consolidation (continued)

(v) Associates (continued)

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

Dilution gains and losses in associates are recognised in the statement of comprehensive income.

For incremental interest in an associate, the date of acquisition is the purchase date at each stage and goodwill is calculated at each purchase date based on the fair value of assets and liabilities identified. There is no "step up to fair value" of net assets previously acquired and the share of profits and equity movements for the previously acquired stake is recorded directly through equity.

On disposal of an investment, the difference between the net disposal proceeds and its carrying amount is charged/credited to the statement of comprehensive income.

(vi) Investment in subsidiaries in separate financial statements

In the Company's separate financial statements, investments in subsidiaries are stated at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in the statement of comprehensive income.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged to the statement of comprehensive income during the financial year in which they are incurred.

Freehold land is not depreciated as it has an infinite life. Depreciation on assets under construction commences when the assets are ready for their intended use.

Depreciation on the other property, plant and equipment is calculated so as to write off the cost or valuation of the assets to their residual values on a straight line basis over the expected useful lives of the assets, summarised as follows:

Buildings	20 – 50 years
Plant and machinery	4 – 25 years
Broadcasting, transmission and production equipment	5 – 10 years
Office equipment, furniture and fittings	3 – 10 years
Leasehold improvements and office renovations	3 – 10 years
Motor vehicles	5 years
Structures	5 – 10 years

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Property, plant and equipment (continued)

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each financial position date.

At each financial position date, the Group and Company assess whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 2(f) on impairment of non-financial assets.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the statement of comprehensive income.

(d) Investment properties

Investment properties comprise principally land and buildings held for long term rental yields or for capital appreciation or both, and are not occupied by the Group and Company.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses. Investment property is depreciated on the straight line basis to allocate the cost to their residual values over their estimated useful lives.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Freehold land is not depreciated as it has an infinite life.

Depreciation on the other investment properties is calculated so as to write off the cost of the assets to their residual values on a straight line basis over the expected useful lives of 20 to 99 years.

On disposal of an investment property, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal, it shall be derecognised. The difference between the net disposal proceeds and the carrying amount is recognised in the statement of comprehensive income in the financial year of the retirement or disposal.

(e) Intangible assets

(i) Programmes and film rights

Programmes and film rights are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

The programmes and film rights are recognised after they are contracted for, after receipt of materials and after approvals are obtained from the censorship authority. Cost comprises contracted cost and direct expenditure. Amortisation is calculated so as to write off the relevant portion of the cost of programmes and film rights which fairly represents its relevant attached rights, to match against the pattern of consumption of these programmes and film rights.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note 2(f) on impairment of non-financial assets.

(ii) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Intangible assets (continued)

(ii) Goodwill (continued)

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the business combination in which the goodwill arose identified according to the operating segment. See accounting policy Note 2(f) on impairment of non-financial assets.

(iii) Acquired outdoor concession rights and outdoor advertising rights

Acquired outdoor concession rights and outdoor advertising rights that have a finite useful life are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of concession rights and outdoor advertising rights over their respective concession lives of 2 to 17 years. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note 2(f) on impairment of non-financial assets.

Acquired outdoor concession rights and outdoor advertising rights that have an indefinite useful life are assessed for any indication of impairment on an annual basis or where an indication of impairment exist. A write-down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 2(f) on impairment of non-financial assets.

(iv) Acquired publishing rights, brands and digital publishing

Acquired publishing rights, brands and digital publishing that have an indefinite useful life are assessed for any indication of impairment on an annual basis or where an indication of impairment exist. A write-down is made if the carrying amount exceeds the recoverable amount. See accounting policy Note 2(f) on impairment of non-financial assets.

(v) Computer software and software development costs

Costs that are directly associated with identifiable and unique software products controlled by the Group and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Computer software recognised are amortised from the point at which asset is ready for use over their estimated useful lives, which does not exceed 3 years.

Research and development costs are charged to the statement of comprehensive income in the financial year in which they are incurred. Development costs previously recognised as an expense are not recognised as an asset in the subsequent financial year. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

- (i) it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- (ii) management intends to complete the intangible asset and use or sell it;
- (iii) there is an ability to use or sell the intangible asset;
- (iv) it can be demonstrated how the intangible asset will generate probable future economic benefits;
- (v) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- (vi) the expenditure attributable to the intangible asset during its development can be reliably measured.

Capitalised development costs recognised as intangible assets are amortised from the point at which the asset is ready for use on a straight-line basis over its useful life, not exceeding 3 years.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Impairment of non-financial assets

Assets that have an indefinite useful life, for example, goodwill or intangible assets, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

The impairment loss is charged to the statement of comprehensive income unless it reverses a previous revaluation in which case it is charged to the revaluation surplus. Impairment losses on goodwill are not reversed. In respect of other assets, any subsequent increase in recoverable amount is recognised in profit or loss unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation surplus reserve.

(g) Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

(h) Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group and Company. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, where they are recognised at fair value plus transaction costs. Other receivables are recognised initially at fair value plus transaction costs.

The Group and Company hold the trade and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See accounting policy Note 2(w)(iv) on impairment of financial assets.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs.

Cost comprises direct labour, materials, sub-contract costs and related expenditure. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimate of the selling price in the ordinary course of business, less costs of completion and applicable variable selling expenses.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Cash and cash equivalents

For the purpose of the cash flow statements, cash and cash equivalents comprise cash on hand, bank balances, demand deposits, short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(k) Leases

(i) The Group and Company as a lessee

Leases are recognised as right-of-use ('ROU') asset and a corresponding liability at the date on which the leased asset is available for use by the Group and Company (i.e. the commencement date).

Lease term

In determining the lease term, the Group and Company consider all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The Group and Company reassess the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and Company and affects whether the Group and Company are reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities.

ROU assets

ROU assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Any initial direct costs; and
- Decommissioning or restoration costs.

ROU assets that are not investment properties are subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group and Company are reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities.

The Group and Company apply the cost model to ROU assets that meet the definition of investment property of MFRS 140 consistent with those investment properties owned by the Group and Company. Refer to accounting policy Note 2(d) on investment property.

The Group and Company present ROU assets that meet the definition of investment property in the statement of financial position as investment property. ROU assets that are not investment properties are presented as a separate line item in the statement of financial position.

Short term leases and leases of low value assets

Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT and office equipment. Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised as an expense in the statement of comprehensive income.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Leases (continued)

(i) The Group and Company as a lessee (continued)

Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentive receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Group and Company under residual value guarantees;
- The exercise price of a purchase and extension options if the group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group and Company exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group and Company, the lessee's incremental borrowing is used. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU asset in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Some leases contain variable payment terms that are linked to revenue share generated from sales of advertisement. Variable lease payments that depend on revenue share are recognised in the statement of comprehensive income in the period in which the condition that triggers those payments occurs.

The Group and Company present the lease liabilities as a separate line item in the statement of financial position. Interest expense on the lease liability is presented within finance cost in the statement of comprehensive income.

Reassessment of lease liabilities

The Group and Company may be exposed to potential future increases in variable lease payments that depend on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is remeasured and adjusted against the ROU assets.

Accounting policies applied from 1 January 2020

During the financial year, the Group and Company apply practical expedient to account for a COVID-19 related rent concession that meets all of the following conditions in the same way as they would if they were not lease modification:

- (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (ii) any reduction in lease payments affects only payments due on or before 30 June 2021; and
- (iii) there is no substantive change to other terms and conditions of the lease.

The Group and Company account for COVID-19 related rent concession as a variable lease payment in the period in which the event or condition that triggers the reduced payment occurs. Impacts of rent concessions are presented within "other operating income" in the statement of comprehensive income.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Leases (continued)

(i) The Group and Company as a lessee (continued)

Reassessment of lease liabilities (continued)

Accounting policies applied until 31 December 2019

Until 31 December 2019, a change in lease payments (including rent concession), other than those arising from a change in amounts expected to be payable under residual value guarantees or in an index or rate used to determine lease payments, is accounted for as a lease modification if it is not part of the original terms and conditions of the lease. The lease modification is accounted for as either a new lease or as a remeasurement of an existing lease liability, depending on the criteria set in MFRS 16.

(ii) The Group as a lessor

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

(a) Finance leases

The Group classifies a lease as a finance lease if the lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group derecognises the underlying asset and recognises a receivable at an amount equal to the net investment in a finance lease. Net investment in a finance lease is measured at an amount equal to the sum of the present value of lease payments from lessee and the unguaranteed residual value of the underlying asset. Initial direct costs are also included in the initial measurement of the net investment. The net investments is subject to MFRS 9 impairment. In addition, the Group reviews regularly the estimated unguaranteed residual value.

(b) Operating leases

The Group and Company classify a lease as an operating lease if the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group and Company recognise lease payments received under operating lease as lease income on a straight-line basis over the lease term.

(iii) Sublease classification

When the Group and Company are intermediate lessors, they assess the lease classification of a sublease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. If a head lease is short-term lease to which the Group and Company apply the exemption described in Note 2(k)(i), then they classify the sublease as an operating lease.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the net profit for the financial year except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statements of financial position date in the countries where the Company and its subsidiaries operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction occurring, it affects neither accounting nor taxable profit nor loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statements of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred tax liability where the timing of the reversal of the temporary difference is controlled by the Group and Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax assets (including tax benefit from reinvestment allowances) are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

(m) Employee benefits

(i) Short-term employee benefits

Wages, salaries, sick leave, paid annual leave, bonuses and non-monetary employee benefits are accrued in the financial year in which the associated services are rendered by employees of the Group and Company and are expected to be settled wholly within 12 months.

The Group and Company recognise a liability and an expense for bonuses based on a formula that takes into consideration the net profit/(loss) for the financial year after certain adjustments. The Group and Company recognise a provision where there is a contractual obligation or where there is a past practice that has created a constructive obligation.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- (m) Employee benefits (continued)
- (ii) Post-employment benefits - defined contribution retirement plan

A defined contribution plan is a pension plan under which the Group and Company pay fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to the employee service in the current and prior periods.

The Group's and Company's contributions to defined contribution plans, including the national defined contribution plan, the Employees' Provident Fund ("EPF"), are charged to the statement of comprehensive income in the financial year to which they relate. Once the contributions have been paid, the Group and Company have no further payment obligations. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

- (iii) Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group and Company recognise termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without the possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits which are due more than 12 months after the financial position date are discounted to present value.

- (n) Trade and other payables

These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

- (o) Provisions

Provisions are recognised when the Group and Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

Where the Group and Company expect a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost expense.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Contingent liabilities and contingent assets

The Group and Company do not recognise a contingent liability but disclose its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence and non-occurrence of one or more uncertain future events beyond the control of the Group and Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably. However, contingent liabilities do not include financial guarantee contracts.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group and Company. The Group and Company do not recognise contingent assets but disclose their existence where inflows of economic benefits are probable, but not virtually certain.

(q) Share capital

Ordinary shares are classified as equity.

Incremental external costs directly attributable to the issuance of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders. However, in the case of interim dividends, it is recognised as liability upon approval by the Board of Directors of the Company.

(r) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred with any difference between the initial fair value and proceeds (net of transaction costs) being charged to the statement of comprehensive income at initial recognition. In subsequent periods, borrowings are stated at amortised cost using the effective interest method with the difference between the initial fair value and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facilities will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Interest, dividends, losses and gains relating to a financial instrument, or a component part, classified as a liability is reported within finance cost in the statement of comprehensive income.

When borrowings measured at amortised cost is modified without this resulting in derecognition, any gain or loss, being the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate, shall be recognised immediately within finance cost in the statement of comprehensive income.

Borrowings are classified as current liabilities unless the Group and Company have an unconditional right to defer settlement of the liability for at least 12 months after the financial position date.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Borrowings (continued)

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

(s) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities.

Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group and Company expect to be entitled in exchange for transferring promised goods or services to a customer, net of estimated returns, discounts, commissions, rebates and taxes. Discounts and rebates are measured using the most likely amount method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. Depending on the substances of the respective contact with the customer, revenue is recognised when the performance obligation is satisfied, which may be at point in time or over time.

The Group and Company do not expect any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group and Company do not adjust any of the transaction prices for the time value of money.

No element of financing is deemed present as the sales are made with a credit term of 0 to 60 days, which is consistent with market practice.

(i) Advertising revenue

Advertising revenue mostly consists of advertising in television, radio, newspapers, digital platforms and outdoor advertising.

Advertising revenue is recognised at a point in time when the advertisements are broadcasted on television or radio, published in newspapers or displayed on digital platforms.

Display rental revenue, content management and lighting from outdoor advertising are recognised over time in accordance with the period of the contract. Contracts with a combination of display rental, content management and lighting are recognised as separate distinct performance obligations and transaction price are allocated on a relative stand-alone selling price basis. Display rental stand-alone selling price is measured at the fixed transaction price agreed in the contracts.

In addition, contra arrangements, whereby particular advertising service in exchange for other goods or services, generate a contract asset or liability to the extent that the service rendered by the Group does not pertain to the same line of business as the service received from the counterpart. Such revenues are measured at the estimated fair market value of the goods or services received. Services received in exchange are expensed to the statement of comprehensive income over the service period.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Revenue recognition (continued)

(ii) Sale of goods

Revenue from the sale of goods includes the sale of newspapers, books, magazines and retail goods from the home shopping network.

Revenue from the sale of goods is recognised at a point in time when the control of the product is transferred to the customer.

A contract liability (refund liability) and a right to the returned goods (included in inventories) are recognised for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level (expected value method). Because the number of products returned has been low for years, management assessed that it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. As such, no contract liability or right to returned goods are recognised. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

(iii) Content and programme sales

Content revenue mostly consists of programme rights sales to customers, revenue generated from the production and license income.

Revenue from the sale of programme rights and license income typically have a wide variety of performance obligations, from production licence contracts to multi-year format licence agreements and distribution activities. Assessment is made of whether licences are determined to be a right to access the content (revenue recognised over time) versus a right to use the content (revenue recognised at a point in time). The Group determined that for most of the licences granted, the involvement of the Group is limited to the transfer of the licence, where the performance obligation is satisfied at a point in time.

Revenue from theatrical film releases is recognised at a point in time in the period the feature films are screened in cinemas.

Subscription revenue from the provision of content on over-the-top and other digital platforms are recognised over time in accordance with the period the access is provided.

(iv) Rendering of services

Revenue from the rendering of services includes management services, commercial newspaper printing and distribution services, talent services, online social media and digital content services, seminar services and advertising production services.

Revenue from management services, talent services, online social media and digital content services are recognised over time as and when the services are rendered.

Revenue from commercial newspaper printing and distribution services, seminar services and advertising production services are recognised at a point in time upon the delivery of services or ready to be displayed.

(v) Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Revenue recognition (continued)

(vi) Other revenue

Dividend income is recognised when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits. Dividend income are received from financial assets measured at fair value through profit or loss ("FVTPL") and at fair value through other comprehensive income ("FVOCI").

Rental income from rental of investment properties, cellular antenna space on outdoor structures and broadcasting equipment is recognised on a straight-line basis over the period of the lease or usage.

(t) Contract balances

(i) Contract assets

A contract asset is recognised when the Group's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to MFRS 9 (see Note 35). Typically, the amount will be billed within 30 days and payment is expected within 30 days.

(ii) Contract liabilities

Contract liabilities were previously named as deferred income.

Contract liabilities of the Group and Company represent advance receipts from customers on sales and services that have yet to be rendered or completed, outdoor display rental charges in advance, monetary value of awarded points under customer loyalty programmes and advance receipts from customers received on behalf of its subsidiaries, of which the allocation of the advertising services has yet to be determined as at financial position date.

All other contract liabilities are expected to be recognised as revenue over the next 12 months.

(u) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the net profit for the financial year, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within "finance income or cost". All other foreign exchange gains and losses are presented within other operating expenses in the statement of comprehensive income.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Foreign currencies (continued)

(ii) Transactions and balances (continued)

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available-for-sale, are included in other comprehensive income.

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each financial position date presented are translated at the closing rate at the date;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

(v) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Senior Management and the Board of Directors that makes strategic decisions.

(w) Financial assets

(i) Classification

The Group and Company classified their financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ('FVOCI') or through profit or loss ('FVTPL'), and
- those to be measured at amortised cost ('AC')

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Financial assets (continued)

(ii) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Group and Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and Company has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

(a) Initial recognition

The Group and Company measure a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the statement of comprehensive income.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest ('SPPI').

(b) Subsequent measurement

• Debt instruments

Subsequent measurement of debt instruments depends on the Group's and Company's business model for managing the asset and the cash flow characteristics of the asset. The Group and Company reclassify debt investments when and only when its business model for managing those assets changes. The debt instruments in the Group and Company are categorised as follows:

- AC: Assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at AC. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in respective line item in the statements of comprehensive income together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statements of comprehensive income.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other operating income using the effective interest rate method. Foreign exchange gains and losses are presented net within respective line item in the statements of comprehensive income and impairment expenses are presented as separate line item in the statements of comprehensive income.
- FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. The Group and Company may also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases. Fair value changes is recognised in profit or loss and presented net within respective line item in the statements of comprehensive income in the period which it arises.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Financial assets (continued)

(iii) Measurement (continued)

(b) Subsequent measurement (continued)

- Equity instruments

The Group and Company subsequently measure all equity investments at fair value. Where the Group's and Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment. Dividends from such investments continue to be recognised in profit or loss as revenue when the Group's and Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in statements of comprehensive income. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

Impairment for debt instruments

The Group and Company assess on a forward looking basis the expected credit loss ('ECL') associated with its debt instruments carried at AC and at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The following financial instruments are subject to the ECL model:

- Trade receivables
- Contract assets
- Non-trade receivables
 - intercompany balances
 - other receivables and deposits

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

ECL represent a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Group and Company expect to receive, over the remaining life of the financial instrument.

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Financial assets (continued)

(iv) Impairment (continued)

Impairment for debt instruments (continued)

(a) Simplified approach for trade receivables and contract assets

The Group and Company apply the MFRS 9 simplified approach to measure ECL which uses a lifetime ECL for all trade receivables and contract assets.

(b) General 3-stage approach for non-trade receivables

At each reporting date, the Group and Company measure ECL through loss allowance at an amount equal to 12 months ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition. For all other financial instruments, a loss allowance at an amount equal to lifetime ECL is required.

Significant increase in credit risk

The Group and Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

The following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtors ability to meet its obligations
- actual or expected significant changes in the operating results of the debtor
- significant increases in credit risk on other financial instruments of the same debtor
- significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtor in the group and changes in the operating results of the debtor.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Financial assets (continued)

(iv) Impairment (continued)

Definition of default and credit-impaired financial assets

The Group and Company define a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

- Quantitative criteria: The Group and Company define a financial instrument as default, when the counterparty fails to make contractual payment when they fall due.
- Qualitative criteria: The debtor meets unlikelihood to pay criteria, which indicates the debtor is in significant financial difficulty. The Group and Company consider the following instances:
 - the debtor is in breach of financial covenants
 - concessions have been made by the lender relating to the debtors financial difficulty
 - it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
 - the debtor is insolvent

Financial instruments that are credit-impaired are assessed on individual basis.

Groupings of instruments for ECL measured on collective basis

(a) Collective assessment

To measure ECL, trade receivables and contract assets arising have been grouped based on shared credit risk characteristics of customer's behaviour and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group and Company have therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

(b) Individual assessment

Trade receivables, contract assets and non-trade receivables, that are in default or credit-impaired are assessed individually.

Intercompany balances are assessed on individual basis for ECL measurement, as credit risk information is obtained and monitored based on each related intercompany.

(v) Write-off

Trade receivables and contract assets

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and Company, and a failure to make contractual payment. Nevertheless, trade receivables and contract assets that are written-off could still be subject to enforcement activities.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Financial assets (continued)

(v) Write-off

Non-trade receivables

The Group and Company write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group and Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

(x) Financial liabilities

Financial liabilities are recognised initially at fair value plus or minus, any directly attributable transaction costs incurred at the acquisition or issuance of financial instrument.

Subsequent to initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method.

For financial liabilities other than derivatives, gains and losses are recognised in the profit or loss when the liabilities are derecognised as well as through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in the statements of comprehensive income. Net gains or losses on derivatives include exchange differences.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statements of comprehensive income.

(y) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group and Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have a material impact to the Group's and Company's results and financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

(i) Assessment of impairment of non-financial assets

The Group and Company assess impairment of the non-financial assets (excluding goodwill), in particular impairment assessments on the Company's investment in subsidiaries, whenever the events or changes in circumstances indicate that the carrying amount may not be recoverable (i.e. the carrying amount is more than the recoverable amount). The Group also tests annually whether goodwill or intangible assets with indefinite life has suffered any impairment, in accordance with the accounting policy (Note 2(f)).

Recoverable amount of an asset is measured at the higher of the fair value less cost to sell ("FVLCS") for that asset and its value-in-use ("VIU"). The VIU is the net present value of the projected future cash flows derived from the cash generating units discounted at an appropriate discount rate. Projected future cash flows are estimates made based on historical, sector and industry trends, general market and economic conditions, changes in technology and other available information. For recoverable amount that is based on FVLCS which include fair value of assets or properties, the Group engaged independent valuers to assess the fair value of the assets.

Projected future cash flows are based on Group's and Company's judgements in terms of assessing future uncertain parameters such as estimated revenue growth, operating costs, contribution margins, discount rates and other available information. These judgements are based on the historical track record and expectations of future events that are believed to be reasonable under the current circumstances.

The key assumptions used, results and conclusion of the impairment assessments are set out in Notes 13, 16 and 18 of the financial statements.

(ii) Deferred tax assets

Deferred tax assets arose from unused tax losses, unabsorbed capital allowances and deductible temporary differences. Deferred tax assets were recognised to the extent that it is probable that future taxable profit will be available against which deferred tax asset can be utilised.

In evaluating whether it is probable that future taxable profits will be available in future periods, all available evidence was considered, including approved budgets and business plans, completed and planned restructuring exercises, continuous effective cost management initiatives and analysis of historical operating results. These forecasts are consistent with those prepared and used internally for business planning and impairment testing purposes.

(iii) Measurement of ECL allowance for financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group and Company use judgements in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of key assumptions and inputs used are disclosed in Note 35.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(iv) Lease extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group and Company are typically reasonably certain to continue (or not to terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group and Company are typically reasonably certain to extend (or not terminate).
- Otherwise, the Group and Company consider other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

4 REVENUE

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Revenue from contracts with customers:				
Advertising revenue	642,875	762,392	-	-
Newspaper sales	47,186	63,669	-	-
Newspaper printing and distribution	15,151	3,490	-	-
Content production	3,196	14,268	-	-
Content sales	14,232	12,503	-	-
Sale of home shopping goods	308,865	232,292	-	-
Seminar services, events, books and magazines	2,939	11,885	-	-
License income	1,419	1,512	-	-
Other ancillary revenue	2,385	513	-	-
Management fees	-	-	39,054	90,639
	1,038,248	1,102,524	39,054	90,639
Revenue from other sources:				
Rental income from investment properties and outdoor cellular antenna space	3,317	3,515	-	-
Dividends from subsidiaries	-	-	20,020	15,002
	1,041,565	1,106,039	59,074	105,641
Timing of revenue recognition:				
At a point in time	940,073	977,990	-	-
Over time	98,175	124,534	39,054	90,639
Revenue from contracts with customers	1,038,248	1,102,524	39,054	90,639
Revenue from other sources	3,317	3,515	20,020	15,002
	1,041,565	1,106,039	59,074	105,641

The reconciliation of revenue and segment information is set out in Note 5.

4 REVENUE (CONTINUED)

Unsatisfied long-term performance obligations

For contracts that exceed one year, the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the financial year is approximately RM9.0 million (2019: RM1.9 million), of which the Group expects to recognise RM2.4 million as revenue in 2021 and the remaining amount of RM6.6 million is expected to be recognised as revenue from 2022 onwards.

5 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Senior Management and the Board of Directors (chief operating decision-maker) that are used to make strategic decisions.

The chief operating decision-maker considers the business primarily from a product perspective as the activities of the Group are predominantly domestic based.

During the financial year, the operating segments of the Group have been redefined by the chief operating decision-maker. Since 1 April 2020, advertising services across most of the Group's media platforms are integrated under the Omnia operating segment. The Group's Television Networks and Radio Networks operating segments disclosed in the prior year's financial statements have been combined into a single reportable segment named "Broadcasting". Current period information and corresponding information for the comparative period have been restated where applicable based on the changes below. The reportable operating segments derive their revenue primarily from the following activities:

Omnia	Integrated advertising solutions, marketing and sale of advertisements across the Group's media platforms, covering broadcasting, print, advertiser content and digital
Broadcasting	Commercial television and radio broadcasting
Outdoor Media	Outdoor advertising space and related outdoor advertisement production services
Print Media	Printing, publishing, distribution and sale of newspapers
Digital Media	Digital media content and services
Content Creation	Media content production, procurement and distribution, music production and studio recording, and talent management of artistes
Home Shopping	Home shopping network

The chief operating decision-maker assesses the performance of the operating segments, before its respective tax charged or tax credits, based on a measure of Earnings Before Interest, Taxation, Depreciation and Amortisation ("EBITDA"). Since the chief operating decision-maker reviews EBITDA, the share of associates' results are not included in the measure of EBITDA.

The chief operating decision-maker assesses the assets and liabilities of the operations on a Group basis whereby Omnia, Broadcasting, Outdoor Media, Print Media, Digital Media, Content Creation and Home Shopping makes up individual segments.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

5 SEGMENT INFORMATION (CONTINUED)

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	Omnia RM'000	Broad- casting RM'000	Outdoor Media RM'000	Print Media RM'000	Content Creation RM'000	Digital Media RM'000	Home Shopping RM'000	#Corporate RM'000	Consolidation adjustment/ elimination RM'000	Total RM'000
2020										
Revenue from external customers	388,032	74,604	112,369	85,112	18,847	53,736	308,865	-	-	1,041,565
Inter-segment revenue	-	273,636	821	64,489	46,499	36,385	-	59,074	(480,904)	-
Royalties	-	964	-	-	-	-	-	-	-	964
	388,032	348,240	113,190	149,601	65,346	90,121	308,865	59,074	(480,904)	1,041,565
(LBITDA)/EBITDA	(10,998)	67,018	55,414	(3,714)	2,229	15,334	10,738	12,683	(19,832)	128,872
Depreciation and amortisation	-	(29,074)	(53,369)	(25,792)	(79)	(2,041)	(1,340)	(1,120)	(67)	(112,882)
Impairment loss	-	-	-	-	-	-	-	(44,448)	44,448	-
Net reversal/(charge) of termination benefits	-	1,789	(90)	831	(6,823)	(458)	-	(8,927)	-	(13,678)
Finance income	19	1,633	1,395	6,748	142	335	971	1,996	(6,535)	6,704
Finance cost	-	(2,372)	(4,702)	(4,570)	-	-	-	(9,543)	6,535	(14,652)
Share of results of associates	-	-	-	-	-	(151)	-	-	-	(151)
Taxation	(1,120)	(2,978)	(3,819)	(181)	(1,620)	(2,173)	(150)	(276)	18	(12,299)
Reportable segment (loss)/profit after tax before allocation to non-controlling interest	(12,099)	36,016	(5,171)	(26,678)	(6,151)	10,846	10,219	(49,635)	24,567	(18,086)

5 SEGMENT INFORMATION (CONTINUED)

The segment information provided to the chief operating decision-maker for the reportable segments is as follows: (continued)

	2019	Omnia RM'000	Broad- casting RM'000	Outdoor Media RM'000	Print Media RM'000	Content Creation RM'000	Digital. Media RM'000	Home Shopping RM'000	#Corporate RM'000	Consolidation adjustment/ elimination RM'000	Total RM'000
Revenue from external customers	-	431,736	153,298	216,575	24,063	48,075	232,292	-	105,641	(207,722)	- 1,106,039
Inter-segment revenue	-	6,784	1,642	1,023	66,299	26,333	-	-	-	-	-
Royalties	-	438,520	154,940	217,598	90,362	74,408	232,292	105,641	(207,722)	1,106,039	
	-	(2,048)	-	-	-	-	-	-	-	(2,048)	
	-	436,472	154,940	217,598	90,362	74,408	232,292	105,641	(207,722)	1,103,991	
EBITDA/(LBTDA)	-	41,635	71,092	(39,672)	15,051	7,228	(10,535)	(271)	(9,077)	75,451	
Depreciation and amortisation	-	(36,479)	(55,582)	(27,346)	(90)	(2,140)	(1,361)	(711)	(65)	(123,774)	
Impairment loss	-	(7,513)	-	(16,731)	-	(159)	-	(207,166)	190,501	(41,068)	
Net charge of termination benefits	-	(22,945)	-	(36,036)	(3,960)	-	-	(12,067)	-	(75,008)	
Finance income	-	2,983	1,741	12,033	200	289	1,163	1,789	(12,501)	7,697	
Finance cost	-	(3,838)	(7,924)	(5,326)	-	-	-	(11,840)	12,500	(16,428)	
Share of result of associates	-	-	-	-	-	129	-	-	-	129	
Taxation	-	(1,895)	(2,203)	83	(4,313)	(3,661)	89	(605)	18	(12,487)	
Reportable segment (loss)/profit after tax before allocation to non-controlling interest	-	(28,052)	7,124	(112,995)	6,888	1,686	(10,644)	(230,871)	181,376	(185,488)	

These items are predominantly (more than 90%) relating to the Company for which, the financial information is disclosed separately on the face of the financial statements as well as the Notes to the financial statements.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

5 SEGMENT INFORMATION (CONTINUED)

The reconciliation of revenue and segment information is as follows:

	Omnia RM'000	Broad- casting RM'000	Outdoor Media RM'000	Print Media RM'000	Content Creation RM'000	Digital Media RM'000	Home Shopping RM'000	Corporate RM'000	Consolidation adjustment/ elimination RM'000	Total RM'000
2020	387,605	74,515	109,208	20,107	-	51,440	-	-	-	642,875
Revenue from contracts with customers:										
Advertising revenue	-	-	-	47,186	-	-	-	-	-	47,186
Newspaper sales	-	-	-	15,151	-	-	-	-	-	15,151
Newspaper printing and distribution	-	-	-	-	3,196	-	-	-	-	3,196
Content production	-	-	-	-	14,232	-	-	-	-	14,232
Content sales	-	-	-	-	-	308,865	-	-	-	308,865
Sale of home shopping goods	-	-	-	-	-	-	-	-	-	-
Seminar services, events, books and magazines	427	-	-	2,512	-	-	-	-	-	2,939
License income	-	-	-	-	1,419	-	-	-	-	1,419
Other ancillary revenue	-	89	-	-	-	2,296	-	-	-	2,385
	388,032	74,604	109,208	84,956	18,847	53,736	308,865	-	-	1,038,248
Revenue from other sources:										
Rental income from investment properties and outdoor cellular antenna space	-	-	3,161	156	-	-	-	-	-	3,317
Revenue from external customers	388,032	74,604	112,369	85,112	18,847	53,736	308,865	-	-	1,041,565
Intersegment revenue	-	273,636	821	64,489	46,499	36,385	-	59,074	(480,904)	-
Segment revenue	388,032	348,240	113,190	149,601	65,346	90,121	308,865	59,074	(480,904)	1,041,565

5 SEGMENT INFORMATION (CONTINUED)

The reconciliation of revenue and segment information is as follows: (continued)

	Omnia RM'000	Broad- casting RM'000	Outdoor Media RM'000	Print Media RM'000	Content Creation RM'000	Digital Media RM'000	Home Shopping RM'000	Corporate RM'000	Consolidation adjustment/ elimination RM'000	Total RM'000
2019										
Revenue from contracts with customers:										
Advertising revenue	-	423,477	150,425	144,399	-	44,091	-	-	-	762,392
Newspaper sales	-	-	-	63,669	-	-	-	-	-	63,669
Newspaper printing and distribution	-	-	-	3,490	-	-	-	-	-	3,490
Content production	-	3,412	-	-	10,856	-	-	-	-	14,268
Content sales	-	-	-	808	11,695	-	-	-	-	12,503
Sale of home shopping goods	-	-	-	-	-	-	232,292	-	-	232,292
Seminar services, events, books and magazines	-	4,639	-	3,567	-	3,679	-	-	-	11,885
License income	-	-	-	-	1,512	-	-	-	-	1,512
Other ancillary revenue	-	208	-	-	-	305	-	-	-	513
	-	431,736	150,425	215,933	24,063	48,075	232,292	-	-	1,102,524
Revenue from other sources:										
Rental income from investment properties and outdoor cellular antenna space	-	-	2,873	642	-	-	-	-	-	3,515
Revenue from external customers	-	431,736	153,298	216,575	24,063	48,075	232,292	-	-	1,106,039
Intersegment revenue	-	6,784	1,642	1,023	66,299	26,333	-	105,641	(207,722)	-
Segment revenue	-	438,520	154,940	217,598	90,362	74,408	232,292	105,641	(207,722)	1,106,039

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

6 EMPLOYEE BENEFITS COSTS

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Wages, salaries and bonuses	220,290	271,678	21,976	43,020
Defined contribution retirement plan	30,150	41,257	3,220	5,997
Termination benefits	13,678	78,071	8,928	15,238
Other employee benefits	33,382	35,463	3,062	4,687
	297,500	426,469	37,186	68,942

7 IMPAIRMENT OF NON-CURRENT ASSETS

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Property, plant and equipment (Note 13)	-	23,039	-	-
Investment properties (Note 15)	-	159	-	-
Investments in subsidiaries (Note 16)	-	-	44,448	207,166
Intangible assets (Note 18)	-	16,665	-	-
	-	39,863	44,448	207,166

8 PROFIT/(LOSS) FROM OPERATIONS

Profit/(loss) from operations is stated after charging:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Auditors' remuneration:				
- Statutory audit	1,487	1,583	98	98
- Tax services	261	420	30	21
- Other services [^]	20	50	20	50
Depreciation:				
- Property, plant and equipment	53,532	59,376	476	118
- Right-of-use assets	56,877	62,591	644	592
- Investment properties	728	1,329	-	-
Net loss/(gain) on disposal:				
- Property, plant and equipment	488	(443)	-	-
Inventories written down/(written back)	229	(97)	-	-
Net impairment loss allowance:				
- Trade and other receivables	10,843	449	-	-
- Amounts due from subsidiaries	-	-	-	6,920

8 PROFIT/(LOSS) FROM OPERATIONS (CONTINUED)

Profit/(loss) from operations is stated after charging: (continued)

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Write-offs:				
- Property, plant and equipment	172	270	-	-
- Intangible assets	-	38	-	-
Home shopping call centre agency cost	3,757	4,295	-	-
Road reserve fees payable to the Malaysian Highway Authority	10,230	9,587	-	-
Distribution costs	36,478	45,529	-	-
Repair and maintenance	37,602	38,229	7,038	8,574
Research and development	9,029	8,257	49	-
Professional and consultancy	7,746	12,196	264	1,436
Advertising and promotion	2,776	10,712	490	1,129
Net foreign exchange losses:				
- Realised	272	1,094	-	-
and after crediting:				
Net gain on disposal:				
- Non-current assets held for sale	-	2,221	-	-
COVID-19 related rent concessions	9,030	-	-	-
Government grants	60	-	-	-
Net income from the sale of newsprint and unsold newspapers	775	3,235	-	-
Rental income:				
- Equipment and facilities	2,992	5,035	-	-
- Premises	762	601	382	-
- Investment properties	66	525	-	-
Net foreign exchange gains:				
- Realised	-	-	-	12
- Unrealised	11	72	-	-

[^] All other services were procured competitively in accordance with the Group's Procurement Policies and Procedures. Other services can be offered by the external auditors of the Group if there are clear efficiencies and value added benefits to the Group.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

9 FINANCE INCOME/(COST)

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Finance income:				
- from deposits	6,704	7,697	1,996	1,507
- from intercompany loan	-	-	-	282
	6,704	7,697	1,996	1,789
Finance cost:				
- on borrowings	(3,567)	(152)	(2,976)	-
- on payables	-	(69)	-	-
- on lease liabilities	(11,085)	(16,207)	(92)	(109)
- on intercompany loans	-	-	(6,475)	(11,731)
	(14,652)	(16,428)	(9,543)	(11,840)

10 DIRECTORS' REMUNERATION

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Non-executive Directors:				
- Fees	544	835	425	444
- Allowances	663	783	564	481
- Other remuneration	31	35	31	35
Executive Directors:				
- Basic salaries and bonus	1,095	1,141	1,095	1,141
- Allowances	101	98	101	98
- Defined contribution retirement plan	201	239	201	239
- Other remuneration	1,000	-	1,000	-
	3,635	3,131	3,417	2,438
Estimated monetary value of benefits-in-kind	23	23	23	13

11 TAXATION

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Current tax:				
- Current financial year	10,651	8,567	276	-
- Under accruals in prior financial year	639	302	-	605
	11,290	8,869	276	605
Deferred tax:				
- Origination and reversal of temporary differences (Note 19)	1,009	3,618	-	-
Tax expense	12,299	12,487	276	605

The explanation of the relationship between taxation and loss before taxation is as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Loss before taxation	(5,787)	(173,001)	(49,359)	(230,262)
Tax calculated at the Malaysian corporate income tax rate of 24% (2019: 24%)	(1,389)	(41,520)	(11,846)	(55,263)
Tax effects of:				
- Expenses not deductible for tax purpose	6,215	14,274	13,116	54,783
- Income not subject to tax	(411)	(1,744)	(5,007)	(3,600)
- Deferred tax assets not recognised in respect of current year's temporary differences, allowances and unused tax losses	6,912	47,423	4,013	4,080
- Recognition of previously unrecognised deferred tax assets	-	(1,256)	-	-
- Share of results of associates	36	(31)	-	-
- Tax-exempt income under pioneer status	-	(1,203)	-	-
- under/(over) accruals of taxation in prior financial years	936	(3,456)	-	605
Taxation	12,299	12,487	276	605

There is no tax charge/credit relating to components of other comprehensive income.

12 LOSS PER SHARE

	Group		
	2020	2019	
Net loss attributable to owners of the Company	(RM'000)	18,378	177,850
Weighted average number of ordinary shares in issue	('000)	1,109,199	1,109,199
Basic loss per share	(sen)	1.66	16.03
Diluted loss per share	(sen)	1.66	16.03

The basic loss per share is calculated by dividing the net loss attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year. There are no potential ordinary shares outstanding as at 31 December 2020 and 31 December 2019. As such, the diluted loss per share is equivalent to the basic loss per share.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

	Freehold land	Buildings	Plant and machinery	Broadcasting, transmission and production equipment	Office equipment, furniture and fittings	Leasehold improvements and office renovations	Motor vehicles	Structures	Asset under construction	Total
Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2020										
Cost										
At 1 January 2020	13,108	186,567	836,504	795,279	337,021	82,137	12,904	206,047	3,934	2,473,501
Additions	-	-	237	691	4,772	1,258	-	58	11,185	18,201
Disposals	-	-	(377)	(73,276)	(1,802)	(100)	(4)	(108)	(128)	(75,795)
Write-offs	-	-	-	-	(29)	(19)	-	-	(166)	(214)
Reclassifications	-	-	-	-	4,370	-	-	6,237	(10,607)	-
At 31 December 2020	13,108	186,567	836,364	722,694	344,332	83,276	12,900	212,234	4,218	2,415,693
<u>Accumulated depreciation</u>										
At 1 January 2020	-	87,514	623,562	655,323	272,165	79,754	10,160	140,680	-	1,869,158
Charge for the financial year	-	1,512	2,913	19,665	15,319	1,577	972	11,574	-	53,532
Disposals	-	-	(195)	(72,716)	(1,797)	(74)	(4)	(85)	-	(74,871)
Write-offs	-	-	-	-	(29)	(13)	-	-	-	(42)
At 31 December 2020	-	89,026	626,280	602,272	285,658	81,244	11,128	152,169	-	1,847,777
<u>Accumulated impairment losses</u>										
At 1 January 2020/ At 31 December 2020	3,265	70,231	202,307	65,513	14,770	3	1,049	382	-	357,520
Net book value										
At 31 December 2020	9,843	27,310	7,777	54,909	43,904	2,029	723	59,683	4,218	210,396

Group	Freehold land	Buildings	Plant and machinery	Broadcasting, transmission and production equipment	Office equipment, furniture and fittings	Leasehold improvements and office renovations	Motor vehicles	Structures	Construction	Asset under construction	
										RM'000	Total RM'000
2019											
Cost											
At 1 January 2019	13,108	220,160	689,371	797,195	472,335	81,960	17,842	198,559	3,667	2,494,197	
Additions	-	-	1,587	1,880	2,103	177	-	48	12,834	18,629	
Disposals	-	-	(2,492)	(3,842)	(843)	-	(4,161)	(85)	-	(11,423)	
Write-offs	-	-	-	-	(32)	-	-	(390)	-	(422)	
Transfer from inventories	-	-	16,731	-	-	-	-	-	-	16,731	
Adjustments	-	(33,593)	-	-	(9,841)	-	(777)	-	-	(44,211)	
Reclassifications	-	-	131,307	46	(126,701)	-	-	7,915	(12,567)	-	
At 31 December 2019	13,108	186,567	836,504	795,279	337,021	82,137	12,904	206,047	3,934	2,473,501	
Accumulated depreciation											
At 1 January 2019	-	119,595	498,687	638,030	388,321	76,996	13,495	129,913	-	1,865,037	
Charge for the financial year	-	1,512	3,356	21,064	18,123	2,758	1,580	10,983	-	59,376	
Disposals	-	-	(2,191)	(3,771)	(728)	-	(4,138)	(64)	-	(10,892)	
Write-offs	-	-	-	-	-	-	-	(152)	-	(152)	
Adjustments	-	(33,593)	-	-	(9,841)	-	(777)	-	-	(44,211)	
Reclassifications	-	-	123,710	-	(123,710)	-	-	-	-	-	
At 31 December 2019	-	87,514	623,562	655,323	272,165	79,754	10,160	140,680	-	1,869,158	

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

Group	Freehold land	Buildings	Plant and machinery	Broadcasting, transmission and production equipment	Office equipment, furniture and fittings	Leasehold improvements and office renovations	Motor vehicles	Structures	Construction	Asset under construction	Total	RM'000
<u>Accumulated impairment losses</u>												
At 1 January 2019	3,265	70,226	182,613	58,213	18,308	-	1,474	382	-	334,481		
Charged during the financial year	-	5	15,525	7,300	134	3	72	-	-	23,039		
Reclassifications	-	-	4,169	-	(3,672)	-	(4,97)	-	-	-		
At 31 December 2019	3,265	70,231	202,307	65,513	14,770	3	1,049	382	-	357,520		
<u>Net book value</u>												
At 31 December 2019	9,843	28,822	10,635	74,443	50,086	2,380	1,695	64,985	3,934	246,823		

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Company		
	2020	2019	
	RM'000	RM'000	
<u>Office equipment, furniture and fittings</u>			
<u>Cost</u>			
At 1 January	4,401	4,147	
Additions	1,288	254	
At 31 December	5,689	4,401	
<u>Accumulated depreciation</u>			
At 1 January	3,879	3,761	
Charge for the financial year	476	118	
At 31 December	4,355	3,879	
<u>Net book value</u>			
At 31 December	1,334	522	

(a) Impairment of property, plant and equipment

(i) Broadcasting

During the previous financial year, the Group undertook a broadcasting and transmission modernisation programme to support its Broadcasting operating segment. Due to these factors, an impairment assessment on broadcasting equipment was performed and the Group recognised a charge of RM7.5 million on property, plant and equipment affected by greater than anticipated technological obsolescence. The recoverable amount of these assets are determined based on fair value less cost to sell. The charges had been recorded in "impairment of non-current assets" in the statement of comprehensive income.

(ii) Print Media

During the previous financial year, the Group had performed a rationalisation exercise involving its plant and equipment within Print Media to address the continued challenging operating environment in the industry. An impairment assessment was performed resulting in a charge of RM15.5 million on certain spares as their recoverable amount exceeds carrying amount. The recoverable amount of these assets are determined based on fair value less cost to sell. The charges had been recorded in "impairment of non-current assets" in the statement of comprehensive income.

No impairment of property, plant and equipment was recognised during the financial year.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Property, plant and equipment pledged as security

As at 31 December 2020, certain land and buildings of the Group with an aggregate carrying amount of RM26.6 million (2019: Nil) were pledged to a licensed bank as security for a borrowing facility granted to the Company.

(c) Property, plant and equipment of the Group and Company are acquired by way of:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Cash payment	9,660	18,629	735	254
Other payables	8,541	-	553	-
	18,201	18,629	1,288	254

14 LEASES

ROU assets

Group	Leasehold land and buildings RM'000	Buildings RM'000	Out-of-Home display sites RM'000	Broadcasting transmission equipment RM'000	Total RM'000
Cost					
At 1 January 2020	10,302	190,997	245,656	5,160	452,115
Terminations	-	(431)	(2,913)	(5,160)	(8,504)
At 31 December 2020	10,302	190,566	242,743	-	443,611
Accumulated depreciation					
At 1 January 2020	427	91,481	139,700	3,397	235,005
Charge for the financial year	411	19,986	36,480	-	56,877
Terminations	-	(423)	(1,468)	(3,397)	(5,288)
At 31 December 2020	838	111,044	174,712	-	286,594
Net book value					
At 31 December 2020	9,464	79,522	68,031	-	157,017

14 LEASES (CONTINUED)

ROU assets (continued)

	Leasehold land and buildings RM'000	Buildings RM'000	Out-of-Home display sites RM'000	Broadcasting transmission equipment RM'000	Total RM'000
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GroupCost

At 1 January 2019	10,287	206,564	245,656	5,160	467,667
Additions	-	2,064	-	-	2,064
Modification	-	(17,631)	-	-	(17,631)
Adjustment	15	-	-	-	15
At 31 December 2019	10,302	190,997	245,656	5,160	452,115

Accumulated depreciation

At 1 January 2019	-	69,571	100,478	2,365	172,414
Charge for the financial year	427	21,910	39,222	1,032	62,591
At 31 December 2019	427	91,481	139,700	3,397	235,005

Net book value

At 31 December 2019	9,875	99,516	105,956	1,763	217,110
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Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

14 LEASES (CONTINUED)

ROU assets (continued)

	Company	
	2020 RM'000	2019 RM'000
Buildings		
<u>Cost</u>		
At 1 January	2,792	728
Additions	-	2,064
At 31 December	2,792	2,792
<u>Accumulated depreciation</u>		
At 1 January	895	303
Charge for the financial year	644	592
At 31 December	1,539	895
<u>Net book value</u>		
At 31 December	1,253	1,897

Lease liabilities

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Current	(40,291)	(61,151)	(614)	(632)
Non-current	(144,790)	(186,330)	(735)	(1,327)
	(185,081)	(247,481)	(1,349)	(1,959)

14 LEASES (CONTINUED)

(a) Amounts recognised in the statement of comprehensive income

The statement of comprehensive income shows the following amounts relating to leases:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Depreciation of right-of-use assets (Note 8)	(56,877)	(62,591)	(644)	(592)
Finance cost on lease liabilities (Note 9)	(11,085)	(16,207)	(92)	(109)
Expenses relating to short-term leases	(5,790)	(5,820)	-	-
Expenses related to leases of low-value assets other than short-term leases	(1,502)	(2,881)	(509)	(2,002)
Expenses relating to variable lease payments not included in lease liabilities (Note 14(c))	(19,034)	(18,413)	-	-
Expenses relating to leases with substitution rights	(30,399)	(27,175)	(4,232)	(11,086)
Loss on termination of leases	(1,438)	-	-	-
COVID-19 related rent concessions (Note 14(d))	9,030	-	-	-

(b) Leasing activities of the Group and Company

The Group and Company has lease contracts for various properties, office buildings, plants and outdoor advertising display sites used in its operations. Leasehold land generally have lease tenures ranging from 50 and 99 years (2019: 50 and 99 years), leases of buildings and plants generally have lease terms between 3 and 6 years (2019: 3 and 6 years), while outdoor advertising display sites generally have lease terms between 3 and 10 years (2019: 3 and 10 years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The Group and Company also have certain short-term leases with a lease term of 12 months or less and leases of IT and office equipment with low value. The Group and Company apply the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

(c) Variable lease payments

Some outdoor advertising display site leases contain variable payment terms that are linked to sales generated from display of advertisements. For individual outdoor advertising sites, up to 30% of lease payments are on the basis of variable payment terms with percentages ranging from 38% to 55% of sales. Variable payment terms are used to link site rental payments to display rental revenue and to reduce fixed costs. Variable lease payments that depend on revenue are recognised in the statement of comprehensive income in the period in which the condition that triggers those payments occurs, as disclosed in Note 14(a) to the financial statements.

(d) COVID-19 related rent concessions

During the financial year, as a result of the COVID-19 pandemic, the Group has received various forms of rent concessions, including payment holidays for a period of time.

The Group has applied the practical expedient to all rent concessions that meet the conditions of the MFRS 16 amendments.

The amount recognised in the Group's statement of comprehensive income has reflected changes in lease payments that arise from rent concessions to which the Group has applied the practical expedient is RM9.0 million. The lease liability is reduced by RM9.0 million.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

14 LEASES (CONTINUED)

(e) Extension options and termination options

Extension and termination options are included in various leases across the Group. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Extension and termination options are included, when possible, to provide the Group with greater flexibility to align its business strategy.

In cases in which the Group is not reasonably certain to exercise an optional extended lease term, payments associated with the optional period are not included within lease liabilities. As at 31 December 2020, potential undiscounted future cash outflows of RM208.7 million (2019: RM208.7 million) have not been included in the lease liabilities of the Group because it is not reasonably certain that the leases will be extended (or not terminated).

(f) Reconciliation of financial liabilities arising from financing activities in relation to leases

The table below details changes in the Group's and Company's liabilities arising from financing activities in relation to leases including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and Company's statement of cash flows as cash flows from financing activities.

Lease liabilities

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
At 1 January	247,481	323,865	1,959	450
Cash flows	(62,677)	(77,023)	(702)	(664)
Non-cash movements:				
- Interest accretion	11,085	16,207	92	109
- COVID-19 related rent concessions	(9,030)	-	-	-
- Others	(1,778)	(15,568)	-	2,064
At 31 December	185,081	247,481	1,349	1,959

(g) Minimum lease payments

The following is a summary of the minimum lease payments:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<u>Lease rental obligations</u>				
Minimum lease payments:				
- Not later than 1 year	47,397	73,079	692	723
- Later than 1 year and not later than 2 years	45,961	48,818	639	671
- Later than 2 years and not later than 5 years	101,132	133,188	96	735
- Later than 5 years	13,100	28,613	-	-
	207,590	283,698	1,427	2,129
Future finance charges	(22,509)	(36,217)	(78)	(170)
Present value of lease obligations	185,081	247,481	1,349	1,959

15 INVESTMENT PROPERTIES

	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Total RM'000
<u>Group</u>				
<u>Cost</u>				
At 1 January/31 December 2020	6,300	6,487	32,461	45,248
<u>Accumulated depreciation</u>				
At 1 January 2020	-	460	12,470	12,930
Charge for the financial year	-	1	727	728
At 31 December 2020	-	461	13,197	13,658
<u>Accumulated impairment losses</u>				
At 1 January/31 December 2020	-	3,092	362	3,454
<u>Net book value</u>				
At 31 December 2020	6,300	2,934	18,902	28,136

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

15 INVESTMENT PROPERTIES (CONTINUED)

	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Total RM'000
<u>Group</u>				
<u>Cost</u>				
At 1 January/31 December 2019	6,300	6,487	32,461	45,248
<u>Accumulated depreciation</u>				
At 1 January 2019	-	459	11,142	11,601
Charge for the financial year	-	1	1,328	1,329
At 31 December 2019	-	460	12,470	12,930
<u>Accumulated impairment losses</u>				
At 1 January 2019	-	3,092	203	3,295
Charge for the financial year	-	-	159	159
At 31 December 2019	-	3,092	362	3,454
<u>Net book value</u>				
At 31 December 2019	6,300	2,935	19,629	28,864

The following amounts have been recognised in the statement of comprehensive income in respect of investment properties:

	Group	2020 RM'000	2019 RM'000
Direct operating expenses incurred from investment properties that generate rental income	(607)	(143)	
Direct operating expenses incurred from investment properties that did not generate rental income	(545)	(262)	

(a) Impairment of investment properties

During the previous financial year, the Group recognised an impairment charge in respect of investment properties amounting to RM0.2 million. The impairment was attributed to greater than anticipated wear and tear. The impairment charge had been recorded in "impairment of non-current assets" in the statement of comprehensive income.

15 INVESTMENT PROPERTIES (CONTINUED)

(b) Fair value of investment properties

The fair value of the properties based on valuations by an independent professional valuer in the financial year using the cost and comparison method as follows:

<u>Group</u>	2020		2019	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
Investment properties	28,136	68,398	28,864	68,398

The fair value of the properties of the Group has been determined based on inputs other than quoted prices included within active markets that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) which is within level 2 of the fair value hierarchy.

(c) Investment properties pledged as securities

As at 31 December 2020, certain investment properties of the Group with an aggregate carrying amount of RM12.4 million (2019: Nil) were pledged to a licensed bank as security for a borrowing facility granted to the Company. The Group and Company are required to assign any rental income and proceeds of disposal of the pledged investment properties to the licensed bank.

(d) Leasing arrangements

The investment properties are leased to tenants under operating leases with rentals payable monthly. The Group classifies these leases as operating lease, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

16 SUBSIDIARIES

	Company	
	2020 RM'000	2019 RM'000
Unquoted shares, at cost	1,774,563	1,774,563
Less: Accumulated impairment losses	(878,725)	(834,277)
	895,838	940,286

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

16 SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows:

Name of company	Country of incorporation	Principal activities	Effective interest in equity	
			2020 %	2019 %
Media Prima Omnia Sdn Bhd	Malaysia	Contracting and marketing of advertisement	100	100
Sistem Televisyen Malaysia Berhad ("STMB")	Malaysia	Commercial television broadcasting and video-on-demand services	100	100
Synchrosound Studio Sdn Bhd ("Hot FM")	Malaysia	Commercial radio broadcasting	100	100
Big Tree Outdoor Sdn Bhd ("BTO")	Malaysia	Outdoor advertising, investment holding and management services	100	100
Primeworks Studios Sdn Bhd ("PWS")	Malaysia	Production of television content and motion picture films, acquiring ready made films from local producers and production houses	100	100
Big Events Sdn Bhd	Malaysia	Events management	100	100
The Talent Unit Sdn Bhd	Malaysia	Talent management of artistes	100	100
Alternate Records Sdn Bhd	Malaysia	Album production and recording studio	100	100
Esprit Assets Sdn Bhd	Malaysia	Property investments and provision of property management services	100	100
Animated & Production Techniques Sdn Bhd	Malaysia	Dormant	100	100
Primeworks Distribution Sdn Bhd ("PWD")	Malaysia	Content and programme sales and distribution	100	100
Star Crest Media Sdn Bhd	Malaysia	Dormant	100	100
Lazim Juta Sdn Bhd	Malaysia	Investment holding	100	100
The New Straits Times Press (Malaysia) Berhad ("NSTP")	Malaysia	Publishing and sale of newspapers and investment holding	98.17	98.17
Media Prima Digital Sdn Bhd ("MPD")	Malaysia	Digital media services	100	100

16 SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows: (continued)

Name of company	Country of incorporation	Principal activities	Effective interest in equity	
			2020 %	2019 %
<u>Held by STMB</u>				
Ch-9 Media Sdn Bhd ("TV9")	Malaysia	Commercial television broadcasting	100	100
Natseven TV Sdn Bhd ("ntv7")	Malaysia	Commercial television broadcasting	100	100
WOWSHOP Sdn Bhd (formerly known as MP CJ ENM Sdn Bhd) ("WOWSHOP")	Malaysia	Home shopping network	100	51
Merit Idea Sdn Bhd	Malaysia	Investment holding	100	100
<u>Held by Merit Idea Sdn Bhd</u>				
Metropolitan TV Sdn Bhd ("8TV")	Malaysia	Commercial television broadcasting	100	100
<u>Held by Hot FM</u>				
Perintis Layar Sdn Bhd	Malaysia	Investment holding	100	100
One FM Radio Sdn Bhd ("OneFM")	Malaysia	Commercial radio broadcasting	99.6	99.6
Kool FM Radio Sdn Bhd ("KoolFM")	Malaysia	Commercial radio broadcasting	100	100
<u>Held by Perintis Layar Sdn Bhd</u>				
Max-Airplay Sdn Bhd ("FlyFM")	Malaysia	Commercial radio broadcasting	100	100
<u>Held by NSTP</u>				
Print Towers Sdn Bhd	Malaysia	Newspaper printing and distribution	98.17	98.17
Business Times (Malaysia) Sdn Bhd	Malaysia	Dormant	98.17	98.17
Marican Sdn Bhd	Malaysia	Dormant	90.81	90.81

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

16 SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows: (continued)

Name of company	Country of incorporation	Principal activities	Effective interest in equity	
			2020 %	2019 %
<u>Held by NSTP (continued)</u>				
New Straits Times Sdn Bhd	Malaysia	Dormant	98.17	98.17
NSTP e-Media Sdn Bhd	Malaysia	Dormant	98.17	98.17
Shin Min Publishing (Malaysia) Sdn Bhd	Malaysia	Dormant	87.96	87.96
The New Straits Times Properties Sdn Bhd	Malaysia	Property management services	98.17	98.17
<u>Held by Jupiter Outdoor Network Sdn Bhd</u>				
Calcom Sdn Bhd	Malaysia	Dormant	100	100
Lokasi Sejagat Sdn Bhd	Malaysia	Dormant	100	100
Skyten Marketing Sdn Bhd	Malaysia	Dormant	100	100
<u>Held by BTO</u>				
UPD Sdn Bhd ("UPD")	Malaysia	Outdoor advertising	100	100
The Right Channel Sdn Bhd ("TRC")	Malaysia	Outdoor advertising	100	100
Kurnia Outdoor Sdn Bhd ("Kurnia")	Malaysia	Outdoor advertising	100	100
Jupiter Outdoor Network Sdn Bhd	Malaysia	Dormant	100	100
Big Tree Productions Sdn Bhd	Malaysia	Production of outdoor advertising display	100	100
Uniteers Outdoor Advertising Sdn Bhd	Malaysia	Advertising contracting and agents, sale of advertising space	100	100
Gotcha Sdn Bhd	Malaysia	Outdoor advertising	100	100

16 SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows: (continued)

Name of company	Country of incorporation	Principal activities	Effective interest in equity	
			2020 %	2019 %
<u>Held by BTQ (continued)</u>				
Eureka Outdoor Sdn Bhd	Malaysia	Dormant	100	100
Anchor Heights Sdn Bhd	Malaysia	Dormant	100	100
Big Tree Seni Jaya Sdn Bhd ("BTSJ")	Malaysia	Outdoor advertising	60	60
<u>Held by Alternate Records Sdn Bhd</u>				
Booty Studio Productions Sdn Bhd	Malaysia	Dormant	60	60
<u>Held by TRC</u>				
MMC-AD Sdn Bhd	Malaysia	Dormant	100	100
Media Master Industries (M) Sdn Bhd	Malaysia	Dormant	100	100
<u>Held by Kurnia Outdoor Sdn Bhd</u>				
Kurnia Outdoor Productions Sdn Bhd	Malaysia	Production of outdoor advertising display	100	100
<u>Held by Lazim Juta Sdn Bhd</u>				
Strategic Media Asset Mgmt Co Ltd	Labuan	Dormant	100	100
<u>Held by MPD</u>				
Rev Media Group Sdn Bhd (formerly known as Malaysia Rev Asia Holdings Sdn Bhd) ("RMGSB")		Investment holding	100	100

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

16 SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows: (continued)

Name of company	Country of incorporation	Principal activities	Effective interest in equity	
			2020 %	2019 %
<u>Held by RMGSB</u>				
Rev Social Malaysia Sdn Bhd	Malaysia	Digital publishing and social media content sharing platform	100	100
Rev Digital Sdn Bhd	Malaysia	Digital publishing	100	100
Rev Lifestyle Sdn Bhd	Malaysia	Digital publishing	100	100
The Vocket Sdn Bhd	Malaysia	Digital publishing	52	52
<u>Held by Rev Social Malaysia Sdn Bhd</u>				
Rev Social International Sdn Bhd	Malaysia	Digital publishing	100	100

(a) Acquisition of additional interest in subsidiaries

On 1 September 2020, STMB, a wholly-owned subsidiary of the Company, entered into a share sale and purchase agreement with a minority shareholder of WOWSHOP to purchase 21,070,000 ordinary shares in WOWSHOP for a total cash consideration of RM5.0 million. Following the acquisition, STMB's equity interest in WOWSHOP increased from 51% to 100%.

Immediately prior to the purchase, the carrying amount of the existing 49% non-controlling interest in WOWSHOP was RM1.6 million. The Group recognised a decrease in non-controlling interests of RM1.6 million and a decrease in equity attributable to owners of the Company of RM3.4 million. The effect on the equity attributable to the owners of the Company during the financial year is summarised as follows:

	Group 2020 RM'000
Carrying amount of non-controlling interests acquired	1,593
Consideration paid to non-controlling interests	(5,000)
Differences on acquisition recognised in accumulated losses	(3,407)

16 SUBSIDIARIES (CONTINUED)

(b) Acquisition of a subsidiary during the previous financial year

On 5 September 2019, RMGSB, an indirect wholly-owned subsidiary of the Company, completed the acquisition of 52% equity interest in The Vocket Sdn Bhd ("TVSB"), a company incorporated in Malaysia, for a total cash consideration of RM2.6 million (including retention sum of RM0.8 million payable within 12 months from the date of completion of acquisition). TVSB is principally engaged in digital publishing.

A goodwill of RM0.6 million was recognised which comprises the value of expected potential synergistic benefits to upsell the Group's digital products and services by having a wider digital audience base. None of the goodwill is expected to be deductible for income tax purposes. In addition, intangible assets which relate to digital publishing rights amounting to RM4.4 million was recognised as a result of the acquisition.

The acquisition did not have a significant impact to the Group during the previous financial year.

(c) Subsidiaries of the Company that have material non-controlling interests ("NCI") to the Group

Set out below are the summarised financial information of subsidiaries of the Company with non-controlling interests, which, in the opinion of the Directors, are material to the Group.

Proportion of equity interest held by non-controlling interests:

	2020 %	2019 %
NCI percentage of ownership interest in equity:		
WOWSHOP	-	49.0
NSTP group	1.83	1.83
BTSJ	40.0	40.0

	2020 RM'000	2019 RM'000
Carrying amount of non-controlling interests:		
WOWSHOP	-	(2,082)
NSTP group	3,687	4,175
BTSJ	(9,662)	(6,872)
Other subsidiaries with immaterial non-controlling interests	2,128	2,233
	(3,847)	(2,546)

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

16 SUBSIDIARIES (CONTINUED)

(c) Subsidiaries of the Company that have material non-controlling interests ("NCI") to the Group (continued)

Movements of carrying amount of non-controlling interests are as follows:

	2020 RM'000	2019 RM'000
At 1 January	(2,546)	3,252
Acquisition of a subsidiary	-	1,873
Revaluation of financial assets at FVOCI	-	(33)
Acquisition of additional interest in subsidiaries from non-controlling interests	(1,593)	-
Profit/(loss) attributable to non-controlling interests:		
- WOWSHOP	3,675	(5,216)
- NSTP group	(488)	(2,068)
- BTSJ	(2,790)	(437)
- Other subsidiaries with immaterial non-controlling interests	(105)	83
	292	(7,638)
	(1,301)	(5,798)
At 31 December	(3,847)	(2,546)

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before intercompany elimination.

	WOWSHOP* RM'000	NSTP group RM'000	BTSJ RM'000
<u>Summarised statements of comprehensive income</u>			
2020			
Revenue	205,373	149,601	11,040
Net profit/(loss) and total comprehensive income/(loss) for the financial year	7,499	(26,678)	(6,975)
2019			
Revenue	232,292	217,598	17,452
Net loss and total comprehensive loss for the financial year	(10,644)	(112,995)	(1,094)

16 SUBSIDIARIES (CONTINUED)

(c) Subsidiaries of the Company that have material non-controlling interests ("NCI") to the Group (continued)

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before intercompany elimination. (continued)

	WOWSHOP*	NSTP group	BTSJ
	RM'000	RM'000	RM'000
<u>Summarised statements of financial position</u>			
2020			
Non-current assets	-	242,104	67,362
Current assets	-	99,913	8,938
Non-current liabilities	-	(50,783)	(53,840)
Current liabilities	-	(107,089)	(46,615)
Net assets/(liabilities)	-	184,145	(24,155)
2019			
Non-current assets	4,890	373,592	77,265
Current assets	42,495	65,432	13,637
Non-current liabilities	-	(164,089)	(61,900)
Current liabilities	(51,633)	(64,113)	(46,183)
Net (liabilities)/assets	(4,248)	210,822	(17,181)
<u>Summarised cash flows information</u>			
2020			
Net cash flow generated from operating activities	4,956	20,356	4,643
Net cash flow generated from/(used in) investing activities	127	(624)	(1,510)
Net cash flow used in financing activities	-	(3,970)	(8,250)
Net increase/(decrease) in cash and cash equivalents	5,083	15,762	(5,117)
2019			
Net cash flow (used in)/generated from operating activities	(3,552)	27,225	16,561
Net cash flow (used in)/generated from investing activities	(2,837)	1,545	(1,929)
Net cash flow used in financing activities	-	(36,933)	(10,300)
Net (decrease)/increase in cash and cash equivalents	(6,389)	(8,163)	4,332

* The summarised statement of comprehensive income and summarised cash flows information of WOWSHOP is up until the date of the acquisition of the remaining non-controlling interest by STMB as disclosed in Note 16(a).

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

16 SUBSIDIARIES (CONTINUED)

(d) Impairment assessment on investment in subsidiaries

(i) PWD

During the financial year, the Group plans to further restructure the business of PWD by transferring its content and programme sales and distribution business to another subsidiary. As such, the Company recognised an impairment charge of RM44.4 million (2019: RM42.0 million) which represents the entire carrying amount of its investment in PWD. The impairment charge had been recorded in "impairment in non-current assets" in the Company's statement of comprehensive income.

(ii) BTO

The adverse effects of the movement and travel restrictions to curb the spread of COVID-19 on the Outdoor Media operating segment and a loss during the financial year were identified as indicators for an impairment test to be performed for the investment in BTO.

The recoverable amount of investment in BTO is determined based on the VIU method applying a discounted cash flow model using cash flow projections covering a five year (5) period.

Cash flows are derived based on the approved budgeted cash flows for 2021 and projections for a period of subsequent four (4) years, based on management's plans, reflecting management's expectation of revenue growth, operating costs and contribution margins for BTO based on the current assessment of market share and expectations of market growth. The growth in overhead costs are determined based on past performance and expected inflationary factors. Contribution margins and EBITDA margins are projected based on the trends observed within the Group.

The key assumptions used for the VIU calculations are as follows:

	2020 %
Average revenue growth	2.0
Pre-tax discount rate	12.7
Terminal growth rate	0.0

As a result of the assessment, the Company's investment in BTO is not impaired as the recoverable amount exceeds the carrying amount included in the financial statements.

(iii) Hot FM

A challenging operating environment in the radio business and a loss in the financial year were identified as indicators for an impairment test to be performed for the investment in Hot FM.

The FVLCS calculations apply a discounted future cash flow model using the fair value of broadcasting licenses attributable to Hot FM and its subsidiaries for a period of five (5) years.

The key assumptions used for the FVLCS calculations are as follows:

	2020 %
Pre-tax discount rate	12.4
Terminal growth rate	0.0

16 SUBSIDIARIES (CONTINUED)

(d) Impairment assessment on investment in subsidiaries (continued)

(iii) Hot FM (continued)

As a result of the impairment assessment, the Company's investment in Hot FM is not impaired as the recoverable amount exceed the carrying amount included in the financial statements.

The assessment includes an impact assessment of changes in key assumptions. Based on the sensitivity analysis performed, the Directors concluded that no reasonable change in the base case assumptions would cause the carrying amounts of the investment to exceed its recoverable amounts.

(iv) NSTP

The continued challenging operating environment of the Print Media operating segment and continuing losses during the financial year were identified as indicators for an impairment test to be performed for the Company's investment in NSTP.

The recoverable amount of investment in NSTP is determined using a discounted cash flow model using cash flow projections based on the approved management budget covering:

- A five (5) year (2019: 5) period that reflects the Digital business with terminal value; and
- A five (5) year (2019: 3) period that reflects the Print business with terminal value. In the previous financial year, a three (3) year period was used based on management's initial plan to cease the Group's Print business operations. The change in assumption during the financial year reflects a revised strategy towards continuous operations given the new opportunities presented for the Print business.

The cash flow projections are based on management's plans, reflecting management's expectation of revenue growth, operating costs and contribution margins for the cash-generating units based on the current assessment of market share and expectations of market growth. The growth in overhead costs are determined based on past performance and expected inflationary factors. Contribution margins and EBITDA margins are projected based on the trends observed within the Group.

The key assumptions used for the VIU calculations are as follows:

	2020	2019
	%	%
Average revenue (decline)/growth	(35.0) - 7.3	(11.3) - 8.0
Pre-tax discount rate	9.5	9.0
Terminal growth rate	0.0	0.0

The estimated fair values of land and buildings based on independent external valuations are deemed as present fair values of the assets and have been included as part of the recoverable amounts of the Print business in the terminal periods amounting to RM125.5 million (2019: RM149.9 million).

From the assessment, the Company's investment in NSTP is not impaired as the recoverable amount exceeds the carrying amount reported in the financial statements. During the previous financial year, an impairment loss of RM83.9 million was recognised by the Company on its investment in NSTP.

The impairment assessment includes an impact assessment of changes in key assumptions. Based on the sensitivity analysis performed, the Directors concluded that no reasonable change in the base case assumptions would cause the carrying amounts of the investment to exceed its recoverable amounts.

Notes to the Financial Statements

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16 SUBSIDIARIES (CONTINUED)

- (d) Impairment assessment on investment in subsidiaries (continued)
- (v) STMB

The continuous challenging operating segment of the Broadcasting operating segment during the financial year were identified as indicators for an impairment test to be performed on the investment in STMB.

The recoverable amount of the investment in STMB is determined based on the VIU method applying a discounted cash flow model using cash flow projections covering a five (5) year period.

Cash flows are derived based on the approved budgeted cash flows for 2021 and projections for a period of subsequent four (4) years, based on management's plans, reflecting management's expectation of revenue growth, operating costs and contribution margins for STMB considering the current assessment of market share and expectations of market growth. The growth in overhead costs are determined based on past performance and expected inflationary factors. Contribution margins and EBITDA margins are projected based on the trends observed within the Group.

The key assumptions used for the VIU calculations are as follows:

	2020 %	2019 %
Average revenue decline	(10.0)	(5.6)
Pre-tax discount rate	14.7	15.0

As a result of the impairment assessment, the Company's investment in STMB is not impaired as the recoverable amount exceeds the carrying amount included in the financial statements. During the previous financial year, an impairment loss of RM81.3 million was recognised by the Company on its investment in STMB.

17 ASSOCIATES

	Group	
	2020 RM'000	2019 RM'000
Unquoted investments	2,700	2,700
Share of post-acquisition results and reserves	(22)	129
	2,678	2,829

The amount recognised in the statement of comprehensive income is as follows:

	Group	
	2020 RM'000	2019 RM'000
Share of results of associates:		
- Share of (loss)/profit and total comprehensive (loss)/income	(151)	129

17 ASSOCIATES (CONTINUED)

The Group's equity interests in the associates and their respective principal activities are as follows:

Name of company	Country of incorporation	Principal activities	Group effective interest in equity	
			2020	2019
<u>Held by NSTP</u>				
Asia Magazines Limited	Hong Kong	In liquidation	26.41[▲]	26.41 [▲]
<u>Held by RMGSB</u>				
Monster Scape Sdn. Bhd. ("MSSB")	Malaysia	Digital publishing	25	25
Maxoom Sdn. Bhd. ("Maxoom")	Malaysia	Digital publishing	20	20

[▲] Effective interest via 98.17% interest in NSTP.

The Directors do not consider the investment in associates to be material to the Group.

There are no contingent liabilities relating to the Group's interest in the associates.

(a) Members' voluntary winding-up of an associate during the financial year

On 11 September 2020, Asia Magazines Limited, an associate of the Group, had been placed under members' voluntary winding-up pursuant to Section 230 of the Hong Kong Companies (Winding up and Miscellaneous Provisions) Ordinance (Cap. 32). The winding-up did not have a significant impact to the Group during the financial year.

(b) Acquisition of associates during the previous financial year

(i) On 31 January 2019, the Company through its indirect wholly owned subsidiary, RMGSB, completed the subscription of 33,334 equity shares representing 25.0% equity interest in MSSB, for a subscription consideration of RM1.5 million.

(ii) On 5 November 2019, the Company through its indirect wholly owned subsidiary, RMGSB, completed the subscription of 10,600 equity shares representing 20.0% equity interest in Maxoom, for a subscription consideration of RM1.2 million (including retention sum of RM0.2 million payable within 12 months from the date of completion of the subscription).

The subscriptions above did not have a significant impact to the Group during the previous financial year.

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For the Financial Year Ended 31 December 2020

18 INTANGIBLE ASSETS

	Arising from business combinations					Acquired separately				Total RM'000
	Goodwill (Indefinite life) RM'000	Brands and digital publishing (Indefinite life) RM'000	Publishing rights (Indefinite life) RM'000	Outdoor concession rights (Indefinite life) RM'000	Outdoor concession rights (Definite life) RM'000	Programme rights (Definite life) RM'000	Film production (Definite life) RM'000	Computer software development (Definite life) RM'000		
Group										
At 1 January 2020	183,140	76,301	60,493	39,446	1,556	25,216	7,298	2,439	395,889	
Additions	-	-	-	-	-	86,406	1,188	980	88,574	
	183,140	76,301	60,493	39,446	1,556	111,622	8,486	3,419	484,463	
Amortisation during the financial year	-	-	-	-	(264)	(89,394)	(6,185)	(1,481)	(97,324)	
At 31 December 2020	183,140	76,301	60,493	39,446	1,292	22,228	2,301	1,938	387,139	
At 1 January 2019	199,235	71,921	60,493	39,446	1,820	45,978	9,045	2,118	430,056	
Acquisition of a subsidiary (Note 16)	570	4,380	-	-	-	-	-	-	4,950	
Additions	-	-	-	-	-	94,548	13,095	1,999	109,642	
	199,805	76,301	60,493	39,446	1,820	140,526	22,140	4,117	544,648	
Amortisation during the financial year	-	-	-	-	(264)	(115,310)	(14,842)	(1,640)	(132,056)	
Impairment during the financial year	(16,665)	-	-	-	-	-	-	-	(16,665)	
Write-off	-	-	-	-	-	-	-	(38)	(38)	
At 31 December 2019	183,140	76,301	60,493	39,446	1,556	25,216	7,298	2,439	395,889	

18 INTANGIBLE ASSETS (CONTINUED)

(a) Impairment assessments for intangible assets with indefinite useful lives

Intangible assets with indefinite useful lives are tested for impairment on an annual basis. Included in intangible assets are goodwill, acquired publishing rights, brands and digital publishing and outdoor advertising concession rights. These assets are deemed to have indefinite useful lives as they are renewable with minimum cost to the Group and there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows for the Group.

The carrying amounts of intangible assets allocated to the Group's cash generating unit ('CGU') are as follow:

Group

	Goodwill RM'000	Publishing rights, brands and digital publishing RM'000	Outdoor advertising concession rights RM'000	Total RM'000
At 1 January/At 31 December 2020	183,140	136,794	39,446	359,380

Represented by:

2020/2019

Outdoor Media	113,084	-	39,446	152,530
Digital Media	51,974	76,301	-	128,275
Print Media	-	60,493	-	60,493
Radio Networks	18,082	-	-	18,082
	183,140	136,794	39,446	359,380

The recoverable amounts of the CGUs are determined based on VIU and FVLCS calculations.

(i) Impairment assessments for intangible assets represented by Outdoor Media and Digital Media

The recoverable amount of the CGU is determined based on VIU method applying a discounted cash flow model using cash flow projections from approved management budget for 2021 and covering a subsequent four (4) year period for Outdoor Media and Digital Media with terminal values.

The cash flow projections are based on management's plans, reflecting management's expectation of revenue growth, operating costs and contribution margins for the cash-generating units considering the current assessment of market share and expectations of market growth. The growth in overhead costs are determined based on past performance and expected inflationary factors. Contribution margins and EBITDA margins are projected based on the trends observed within the Group.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

18 INTANGIBLE ASSETS (CONTINUED)

- (a) Impairment assessments for intangible assets with indefinite useful lives (continued)
 - (i) Impairment assessments for intangible assets represented by Outdoor Media and Digital Media (continued)

The key assumptions used for the VIU calculations are as follows:

	2020		2019	
	Outdoor Media %	Digital Media %	Outdoor Media %	Digital Media %
Average revenue growth	2.0	3.5	2.0	6.3
Pre-tax discount rate	17.4	12.5	14.7	16.6
Terminal growth rate	0.0	3.0	3.0	3.0

Based on the above assessments, goodwill and intangible assets with indefinite useful lives for Outdoor Media and Digital Media CGUs are not impaired during the financial year as the recoverable amounts exceed the carrying amounts included in the financial statements.

The assessment includes an impact assessment of changes in key assumptions. Based on the sensitivity analysis performed, the Directors concluded that no reasonable change in the base case assumptions would cause the carrying amounts of the CGUs to exceed its recoverable amounts.

- (ii) Impairment assessments for intangible assets represented by Print Media

The FVLCS has been determined using the Relief from Royalty ("RFR") valuation method at the rate of 16% for digital business and 10.5% for print business respectively, being the average royalty rates benchmarked against licensed publications in the similar industry.

The FVLCS calculations apply a discounted future cash flow model using cash flow projection for NSTP Group.

The cash flow projections was based on approved management budget for 2021 and covers a subsequent four (4) years. In the previous financial year, the model used is based on approved management budget and covers a subsequent four (4) years on the assumption that reflected the Print business remaining useful life of its regional printing plants.

The cash flow projections are based on management's plans, reflecting management's expectation of revenue growth of the cash-generating units based on the current assessment of market share and expectations of market growth.

18 INTANGIBLE ASSETS (CONTINUED)

- (a) Impairment assessments for intangible assets with indefinite useful lives (continued)
- (ii) Impairment assessments for intangible assets represented by Print Media (continued)

The key assumptions used for the FVLCS calculations are as follows:

	2020	2019
	%	%
Average revenue (decline)/growth	(35.0) – 7.3	(11.3) – 8.0
Digital business RFR rate	16.0	16.0
Print business RFR rate	10.5	10.5
Pre-tax discount rate	14.1 – 17.0	15.5 – 19.7
Terminal growth rate	0.0 – 1.0	0.0 – 1.0

As a result of the impairment assessment, the CGU is not impaired as the recoverable amounts exceed the carrying amounts included in the financial statements.

Based on the sensitivity analysis performed, a 50 basis points increase in the discount rate with all other variables being held constant, would result in an impairment loss of approximately RM0.4 million (2019: RM0.2 million).

- (iii) Impairment assessments for intangible assets represented by Radio Networks

In view of the Group's current radio business, management has identified the fair value attributable to the broadcasting licenses under the Radio Networks CGU.

During the financial year, the valuation method of the Radio Networks CGU was updated from VIU to FVLCTS.

During the previous financial year, the recoverable amount of the CGU is determined based on VIU method applying a discounted cash flow model using cash flow projections based on approved management budget for 2020 and covering a subsequent four (4) year period.

The FVLCS calculations apply a discounted future cash flow model using the fair value of broadcasting licenses attributable to Radio Networks CGU for a period of five (5) years.

The key assumptions used are as follows:

	2020	2019
	FVLCS	VIU
	%	%
Average revenue decline	-	(16.2)
Pre-tax discount rate	8.5	19.8
Terminal growth rate	0.0	0.0

As a result of the impairment assessment, the Radio Networks CGU is not impaired as the recoverable amounts exceed the carrying amounts included in the financial statements.

Notes to the Financial Statements

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18 INTANGIBLE ASSETS (CONTINUED)

(a) Impairment assessments for intangible assets with indefinite useful lives (continued)

(iii) Impairment assessments for intangible assets represented by Radio Networks (continued)

During the previous financial year, an impairment loss of RM16.7 million in respect of goodwill represented by Radio Networks was recognised.

The assessment includes an impact assessment of changes in key assumptions. Based on the sensitivity analysis performed, the Directors concluded that no reasonable change in the base case assumptions would cause the carrying amounts of the CGU to exceed its recoverable amounts.

19 DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statement of financial position:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Deferred tax assets:				
- To be realised after more than 12 months	7,083	4,263	-	-
- To be realised within 12 months	4,501	8,212	-	-
	11,584	12,475	-	-
Deferred tax liabilities:				
- To be settled after more than 12 months	(37,501)	(37,383)	-	-
- To be settled within 12 months	-	-	-	-
	(37,501)	(37,383)	-	-
	(25,917)	(24,908)	-	-

19 DEFERRED TAXATION (CONTINUED)

The movement during the financial year relating to deferred tax is as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
At 1 January	(24,908)	(20,239)	-	-
Acquisition of a subsidiary	-	(1,051)	-	-
(Charged)/credited to profit or loss (Note 11):				
- Property, plant and equipment	2,991	(10,780)	(67)	(5)
- Intangible assets	1,356	80	-	-
- Allowances and provisions	(807)	3,964	(88)	460
- Unused tax losses	(160)	(2,555)	-	-
- Unabsorbed capital allowances	2,289	1,887	-	-
- Advance billings and contract liabilities	(5,580)	3,201	-	-
- Right-of-use assets	17,329	(58,146)	155	(455)
- Lease liabilities	(18,427)	58,731	-	-
	(1,009)	(3,618)	-	-
At 31 December	(25,917)	(24,908)	-	-
Deferred tax assets (before offsetting):				
- Allowances and provisions	21,930	22,737	408	496
- Unused tax losses	2,489	2,649	-	-
- Advance billings and contract liabilities	1,916	7,496	-	-
- Lease liabilities	40,304	58,731	-	-
- Unabsorbed capital allowances	8,448	6,159	-	-
	75,087	97,772	408	496
Offsetting	(63,503)	(85,297)	(408)	(496)
Deferred tax assets (after offsetting)	11,584	12,475	-	-
Deferred tax liabilities (before offsetting):				
- Intangible assets	(35,042)	(36,398)	-	-
- Property, plant and equipment	(31,210)	(34,201)	(108)	(41)
- Right-of-use assets	(34,752)	(52,081)	(300)	(455)
	(101,004)	(122,680)	(408)	(496)
Offsetting	63,503	85,297	408	496
Deferred tax liabilities (after offsetting)	(37,501)	(37,383)	-	-

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

19 DEFERRED TAXATION (CONTINUED)

The amount of capital allowances, deductible temporary differences and unused tax losses (which have 7 years of expiry period) for which no deferred tax asset is recognised in the statement of financial position is as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Unused tax losses	589,306	577,872	39,153	46,612
Unabsorbed capital allowances	112,610	114,186	-	255
Deductible temporary differences	97,013	78,073	30,046	5,613
Unabsorbed reinvestment allowances	238,391	238,391	-	-
	1,037,320	1,008,522	69,199	52,480
Deferred tax assets not recognised at 24%	248,957	242,045	16,608	12,595

No deferred tax assets are recognised from the above due to uncertainty of their recoverability. The unutilised business losses arising from a year of assessment ("YA") are allowed to only be carried forward for utilisation up to 7 consecutive YAs from that YA. In addition, any accumulated unabsorbed business losses brought forward from YA 2018 can only be utilised until YA 2025, while the unabsorbed capital allowances do not expire under the current tax legislation.

The unabsorbed reinvestment allowances are allowed to be carried forward for utilisation up to 7 consecutive YAs from the first year after the end of the incentive period. If the incentive period has expired prior to YA 2019, accumulated unabsorbed reinvestment allowances brought forward from YA 2018 shall be allowed to be utilised for another 7 consecutive YAs i.e. from YA 2019 to YA 2025. Any amount which remains unutilised by YA 2025 shall be disregarded from YA 2026.

The availability of unutilised tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to no substantial changes in shareholdings of those subsidiaries under the Income Tax Act, 1967 and guidelines issued by the tax authority.

20 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

	Group	
	2020 RM'000	2019 RM'000
At 1 January	688	2,472
Revaluation of financial assets at FVOCI	-	(1,784)
At 31 December	688	688

The Group have irrevocably elected the non-trading equity securities above at initial recognition to present its fair value changes in OCI. The Group considers this classification to be more relevant as these instruments are not held for trading purposes.

The changes in fair value of the financial assets during the financial year are not material.

	Fair value	
	2020 RM'000	2019 RM'000
Club memberships:		
Tropicana Golf & Country Resort	440	440
Saujana Resort (M) Berhad	248	248

21 INVENTORIES

	Group	
	2020 RM'000	2019 RM'000
Raw materials and consumables	23,770	5,028
Goods held for resale	327	1,405
	24,097	6,433

Cost of inventories recognised as expenses during the financial year amounted to RM26.6 million (2019: RM53.1 million).

22 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Trade receivables	228,335	246,787	-	-
Less: Loss allowance	(67,670)	(86,981)	-	-
	160,665	159,806	-	-
Less: Advanced billings	(2,770)	(3,524)	-	-
	157,895	156,282	-	-
Contract assets	12,857	18,263	-	-
Amounts due from other related parties	3,293	2,760	-	-
Deposits	22,755	25,652	819	819
Prepayments	18,880	20,182	3,092	3,296
Other receivables	23,727	39,918	1,596	6,210
Less: Loss allowance for other receivables	(6,415)	(12,954)	(9)	(9)
	75,097	93,821	5,498	10,316
	232,992	250,103	5,498	10,316

The credit terms of the trade receivables and amounts due from other related parties range up to 60 days (2019: 60 days).

Movement of contract assets during the financial year were as follows:

	Group	
	2020 RM'000	2019 RM'000
At 1 January	18,263	6,841
Increases as a result of services performed and goods delivered but yet to be billed	27,999	26,708
Transfer to receivables	(33,405)	(15,286)
At 31 December	12,857	18,263

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23 AMOUNTS DUE FROM/(TO) SUBSIDIARIES

	Company	2020 RM'000	2019 RM'000
<u>Current</u>			
Amounts due from subsidiaries (Note (a))	109,346	131,625	
Less: Loss allowance	(43,040)	(43,040)	
	66,306	88,585	
Intercompany loan receivable (Note (b))	-	7,000	
	66,306	95,585	
Amounts due to subsidiaries (Note (c))	(89,539)	(149,958)	
Intercompany loan payables (Note (d))	(8,454)	(11,731)	
	(97,993)	(161,689)	
<u>Non-current</u>			
Intercompany loans payable (Note (d))	(189,421)	(203,994)	

- (a) The amounts due from subsidiaries are denominated in Ringgit Malaysia, unsecured, interest free and are repayable based on contractual term. The credit terms of amounts due from subsidiaries range from 60 days to 120 days (2019: 60 days to 120 days).
- (b) Intercompany loan to a subsidiary classified as current are denominated in Ringgit Malaysia, unsecured, repayable on demand and subject to interest at prevailing market rate applicable on the day of the disbursement. During the financial year, the loan had been settled through an offsetting arrangement between the Company and its subsidiaries.
- (c) The amounts due to subsidiaries are denominated in Ringgit Malaysia, unsecured, repayable based on contractual term and bear no interest. The credit terms of amounts due to subsidiaries range from 60 days to 12 days (2019: 60 days to 120 days).
- (d) Intercompany loans payable

On 1 December 2020, the Company converted an amount due to STMB of RM100.0 million into an unsecured loan due to STMB. The loan will mature on 30 November 2025 and is repayable in entirety on its maturity date. The effective interest rate of the term loan is 3.86% per annum.

On 28 December 2018, the Company obtained a RM254.0 million unsecured loan for working capital purposes from NSTP. The loan will mature on 31 December 2023 and is repayable in entirety on its maturity date. The effective interest rate of the term loan is 4.83% per annum. During the financial year, the Company repaid RM105.6 million of which RM30.6 million was by way of setting-off of intercompany balance due from NSTP.

The movement on loss allowance for amount due from subsidiaries is detailed in Note 35(b).

23 AMOUNTS DUE FROM/(TO) SUBSIDIARIES (CONTINUED)

(d) Intercompany loans payable (continued)

Reconciliation of financial liabilities arising from financing activities

The table below details changes in the Company's liabilities arising from financing activities including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

	At 1 January 2020 RM'000	Non-cash movement			At 31 December 2020 RM'000
		Cash flows RM'000	Accretion of interest RM'000	Others RM'000	
		Intercompany loans payable	215,725	(75,000)	6,475

	At 1 January 2019 RM'000	Non-cash movement			At 31 December 2019 RM'000
		Cash flows RM'000	Accretion of interest RM'000	Others RM'000	
		Intercompany loan payable	254,120	-	11,731

24 DEPOSITS, CASH AND BANK BALANCES

		Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Cash and bank balances		33,892	29,616	542	443
Deposits with licensed banks		269,891	227,528	125,175	47,356
Deposits, cash and bank balances		303,783	257,144	125,717	47,799
Less: Restricted deposits		(12,480)	(200)	(12,280)	-
Cash and cash equivalents		291,303	256,944	113,437	47,799

The deposits, cash and bank balances are denominated in Ringgit Malaysia.

The interest and profit rates for bank balances and deposits ranged from 1.75% to 3.35% (2019: 3.00% to 3.70%) per annum for the Group and Company.

Bank balances which are not available for use by the Group and Company at the end of the financial year includes deposit with licensed banks, amounting to RM12.5 million (2019: RM0.2 million), which has been placed by the Company as security for a borrowing facility granted to the Company, and bank guarantee facilities available to a subsidiary of the Company.

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25 NON-CURRENT ASSETS HELD FOR SALE

The details of non-current assets held for sale are as follows:

	Group	
	2020 RM'000	2019 RM'000
Investment properties	225	225

The movements of non-current assets held for sale as follows:

	Group	
	2020 RM'000	2019 RM'000
At 1 January	225	1,354
Disposals	-	(1,129)
At 31 December	225	225

During the previous financial year, non-current assets with carrying value of RM1.1 million was disposed at a total consideration of RM3.3 million, giving rise to a gain on disposal of RM2.2 million.

26 BORROWINGS

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<u>Non-current:</u>				
Secured				
- Term loan (Note (a))	79,583	-	79,583	-
<u>Current:</u>				
Secured				
- Term loan (Note (a))	32,500	-	32,500	-
Unsecured				
- Banker's acceptance (Note (b))	13,402	4,688	-	-
	45,902	4,688	32,500	-
	125,485	4,688	112,083	-

(a) Term loan

On 10 March 2020, the Company obtained a term loan facility of up to RM180.0 million from a licensed bank, which bears an interest rate of 1.65% above the licensed bank's cost of funds. The loan is repayable by quarterly instalments and will mature on 12 September 2024. The effective interest rate of the term loan is 4.84% per annum.

The term loan is secured by a charge over certain property, plant and equipment and investment properties of the Group as disclosed in Note 13 and Note 15 to the financial statements and a charge over the Debt Service Reserve Account of the Company.

26 BORROWINGS (CONTINUED)

(b) Banker's acceptance

The Group had banker's acceptance facilities with a term of up to 6 months. The facility's effective interest rate is 3.78% (2019: 3.13%) per annum and is repayable in entirety on its maturity date.

Reconciliation of financial liabilities arising from financing activities

The table below details changes in the Group's and Company's liabilities arising from financing activities including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's and Company's statement of cash flows as cash flows from financing activities.

<u>Group</u>	<u>Non-cash movement</u>				<u>At 31 December 2020 RM'000</u>
	<u>At 1 January 2020 RM'000</u>	<u>Cash flows RM'000</u>	<u>Accretion of interest RM'000</u>	<u>Others RM'000</u>	
<u>Borrowings</u>	<u>4,688</u>	<u>117,230</u>	<u>3,567</u>	<u>-</u>	<u>125,485</u>
<u>Company</u>					
<u>Borrowings</u>	<u>-</u>	<u>109,107</u>	<u>2,976</u>	<u>-</u>	<u>112,083</u>

<u>Group</u>	<u>Non-cash movement</u>				<u>At 31 December 2019 RM'000</u>
	<u>At 1 January 2019 RM'000</u>	<u>Cash flows RM'000</u>	<u>Accretion of interest RM'000</u>	<u>Others RM'000</u>	
<u>Borrowings</u>	<u>4,169</u>	<u>367</u>	<u>152</u>	<u>-</u>	<u>4,688</u>

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For the Financial Year Ended 31 December 2020

27 TRADE AND OTHER PAYABLES

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Trade payables	44,051	33,056	-	-
Programme rights payables	11,026	29,341	-	-
Amounts due to associates	464	239	-	-
Amounts due to other related parties	7,772	2,033	-	-
Other payables (Note (a))	74,856	76,141	7,092	6,731
Accrued expenses (Note (b))	225,245	315,384	5,881	17,880
Provision for termination benefits (Note (c))	10,359	23,872	2,065	1,716
Contract liabilities (Note (d))	70,816	68,290	27,930	776
	444,589	548,356	42,968	27,103

Credit terms of trade payables normally range from no credit to 90 days (2019: no credit to 90 days).

The amounts due to associates and other related parties are denominated in Ringgit Malaysia, unsecured, repayable based on contractual term and bear no interest.

(a) Deferred and contingent consideration from investments in subsidiaries and associate.

Included in other payables of the Group as at 31 December 2019 were deferred consideration for the investments in TVSB, an indirect subsidiary of the Company, and Maxoom, an associate of the Group. During the financial year, the Group made a settlement of RM0.8 million and RM0.2 million of the respective deferred considerations.

During the previous financial year, the Group made a settlement of RM0.2 million of a deferred and contingent consideration for the acquisition of entertainment websites by Rev Digital Sdn Bhd.

(b) Accrued expenses

Included in accrued expenses of the Group are:

- (i) Road reserve occupancy fees payable to the Malaysian Highway Authority ("MHA") for rental of outdoor structural space within the MHA's jurisdiction. At the end of the financial year, the fees payable amounted to RM42.4 million (2019: RM42.9 million).
- (ii) Accruals made for termination benefits in relation to employees that were identified and confirmed amounted to Nil (2019: RM99.4 million).

27 TRADE AND OTHER PAYABLES (CONTINUED)

(c) Provision for termination benefits

Movement of provision for termination benefits during the financial year were as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
At 1 January	23,872	68,248	1,716	2,253
Net (reversal)/charge during the financial year	(13,513)	78,071	349	15,238
Utilisation	-	(23,044)	-	(5,424)
Reclassification to accrued expenses	-	(99,403)	-	(10,351)
At 31 December	10,359	23,872	2,065	1,716

(d) Contract liabilities

Contract liabilities are in relation to advance receipt from customers were previously presented as deferred income. The services are expected to be rendered to the customer within twelve months.

Movement of contract liabilities during the financial year were as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
At 1 January	68,290	38,857	776	2,972
Reversal of contract liabilities	-	(2,534)	-	-
Contract liabilities net with revenue recognised during the financial year	70,816	70,824	27,930	776
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	(68,290)	(38,857)	(776)	(2,972)
At 31 December	70,816	68,290	27,930	776

28 SHARE CAPITAL

	Group and Company			
	2020		2019	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
Ordinary shares				
Issued and fully paid				
At 1 January/31 December	1,109,199	1,524,735	1,109,199	1,524,735

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

29 OTHER RESERVES

Other reserves comprises the cumulative net change in the fair value of financial assets designated at FVOCI until the assets are derecognised.

	Group	2020 RM'000	2019 RM'000
At 1 January		4	1,755
Revaluation of financial assets at FVOCI		-	(1,751)
At 31 December		4	4

30 SIGNIFICANT NON-CASH TRANSACTIONS

The significant non-cash transactions during the financial year were as follows:

	Group	2020 RM'000	2019 RM'000
Goods and services received through contra arrangements with customers		25	319
	Company	2020 RM'000	2019 RM'000
Settlement of intercompany loan payable through balance offsetting		30,600	50,100

The conversion of amount due to a subsidiary into an intercompany loan payable of RM100.0 million during the financial year is disclosed in Note 23(d) to the financial statements.

31 SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Identities of related parties

For purposes of these financial statements, parties are considered to be related to the Group and Company if the Group and Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties include:

- (i) Direct and indirect subsidiaries of the Company as disclosed in Note 16;
- (ii) Associates of the Group as disclosed in Note 17;
- (iii) Key management personnel which are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group; and
- (iv) Companies related by virtue of a common major shareholder with a deemed significant influence over the Company ("Other related parties").

31 SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

(b) Key management compensation

Key management personnel of the Company are the Executive Directors, Non-Executive Directors and the senior management of the Company. Summary of the key management compensation is set out below:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
- Fees	544	835	425	444
- Basic salaries, bonus and other remunerations	11,593	11,787	2,441	3,340
- Allowances	2,184	1,929	745	794
- Defined contribution retirement plan	1,755	2,003	278	627
	16,076	16,554	3,889	5,205
Estimated monetary value of benefits-in-kind	93	91	26	32

Included in the key management compensation is Directors' remuneration as disclosed in Note 10 to the financial statements.

(c) Significant transactions between related parties

In addition to the transactions detailed elsewhere in the financial statements, the Group and Company had undertaken the following transactions with related parties during the financial year:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<u>Subsidiaries</u>				
- Management fees	-	-	39,054	90,639
- Dividend receivable	-	-	20,020	15,002
- Rental of premises	-	-	(4,232)	(11,054)
- Finance cost on intercompany loans	-	-	(6,475)	(11,731)
<u>Associates</u>				
- Digital advertising commission	(2,338)	(1,642)	-	-
<u>Companies related by virtue of a common major shareholder with a deemed significant influence over the Company</u>				
- Sale of advertisements	7,042	6,415	-	-
- Newspaper printing and distribution services	8,941	1,030	-	-
- Television transmission services	(25,240)	(3,433)	-	-

(d) Significant related party balances

Significant related party balances are disclosed in Note 22, 23 and 27 to the financial statements.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

32 CAPITAL COMMITMENTS

	Group	2020 RM'000	2019 RM'000
Capital commitments, approved but not contracted for at the end of the reporting period:			
- Property, plant and equipment	30,397	58,777	
- Intangible assets (inclusive of advertiser content programme rights)	140,912	141,668	
	171,309	200,445	
Capital commitments, approved and contracted for at the end of the reporting period:			
- Property, plant and equipment	9,483	497	
- Intangible assets	3,003	276	
	183,795	201,218	

Capital commitments not contracted for were approved by the Directors of the Company on 14 January 2021.

33 CONTINGENT LIABILITIES

The Group is a defendant in 19 (2019: 18) legal suits with contingent liabilities amounting to approximately RM5.6 million (2019: RM5.4 million) as at 31 December 2020. The legal suits mainly consist of claims on defamation.

The approximate contingent liabilities include unliquidated damages. The estimated figure for unliquidated damages for defamation claims (being the highest number of claims) is based on the current trend of damages awarded by the courts (approximately RM0.1 million to RM0.3 million per claim). On a prudent basis, an estimate of RM0.3 million for each defamation suit is regarded as potential exposure.

Based on the above and after taking appropriate legal advice, no provision has been made in the financial statements of the Group as at the date of this report. The Directors are of the opinion that the outcome of the legal suits against the Group will not have a material impact on the financial position of the Group.

34 FINANCIAL INSTRUMENTS BY CATEGORY

The table below provides an analysis of financial instruments categorised as follows:

- (a) Amortised cost ("AC")
- (b) Fair value through other comprehensive income ("FVOCI")

2020

Financial assets	AC RM'000	FVOCI RM'000	Total RM'000
Group			
Trade and other receivables excluding prepayments, statutory refundables and contract assets	198,205	-	198,205
Deposit, cash and bank balances	303,783	-	303,783
Financial assets at fair value through other comprehensive income	-	688	688
Total	501,988	688	502,676
Company			
Trade and other receivables excluding prepayments, statutory refundables and contract assets	667	-	667
Deposit, cash and bank balances	125,717	-	125,717
Amounts due from subsidiaries	66,306	-	66,306
Total	192,690	-	192,690
Financial liabilities	Group RM'000	Company RM'000	
<u>Financial liabilities at amortised cost</u>			
Trade and other payables excluding statutory liabilities and contract liabilities	362,376	15,004	
Borrowings	125,485	112,083	
Amounts due to subsidiaries	-	287,414	
Lease liabilities	185,081	1,349	
Total	672,942	415,850	

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

34 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

2019

Financial assets	AC RM'000	FVOCI RM'000	Total RM'000
Group			
Trade and other receivables excluding prepayments, statutory refundables and contract assets	207,919	-	207,919
Deposit, cash and bank balances	257,144	-	257,144
Financial assets at fair value through other comprehensive income	-	688	688
Total	465,063	688	465,751

Company

Trade and other receivables excluding prepayments, statutory refundables and contract assets	3,887	-	3,887
Deposit, cash and bank balances	47,799	-	47,799
Amounts due from subsidiaries	95,585	-	95,585
Total	147,271	-	147,271

	Group RM'000	Company RM'000
Financial liabilities at amortised cost		
Trade and other payables excluding statutory liabilities and contract liabilities	448,002	26,328
Borrowings	4,688	-
Amounts due to subsidiaries	-	365,683
Lease liabilities	247,481	1,959
Total	700,171	393,970

34 FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

The following financial assets and financial liabilities are subject to offsetting:

Company	Gross amounts of recognised financial assets RM'000	Gross amounts of recognised financial liabilities set-off in the statement of financial position RM'000	Gross amounts of recognised financial liabilities set-off in the statement of financial position RM'000	
			Net amount RM'000	
<u>Financial assets</u>				
<u>2020</u>				
Amounts due from subsidiaries	85,540	(19,234)		66,306
<u>2019</u>				
Amounts due from subsidiaries	118,005	(22,420)		95,585
<u>Financial liabilities</u>				
<u>2020</u>				
Amounts due to subsidiaries	826,954	(539,540)		287,414
<u>2019</u>				
Amounts due to subsidiaries	671,447	(305,764)		365,683

35 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including:

(a) Market risks

- (i) foreign currency exchange risk – risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates
- (ii) fair value interest rate risk – risk that the value of a financial instrument will fluctuate due to changes in market interest rates
- (iii) cash flow interest rate risk – risk that future cash flows associated with a financial instrument will fluctuate. In the case of a floating rate debt instrument, such fluctuations result in a change in the effective interest rate of the financial instrument, usually without a corresponding change in its fair value

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

- (a) Market risks (continued)
- (iv) price risk – risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instrument traded in the market
- (b) Credit risk – risk that one party to a financial instrument will fail to discharge a contractual obligation and cause the other party to incur a financial loss
- (c) Liquidity risk (funding risk) – risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments

The Group's overall financial risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to the Group's financial risk management policies. The Directors regularly reviews these risks and approves the treasury policies, which covers the management of these risks.

- (a) Market risks

- (i) Foreign currency exchange risk

The Group operates nationally but some of its cost is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar. The main costs with such exposure are programme rights, newsprint, licenses and software.

The Group monitors the foreign currency market closely to ensure optimal levels of inventories are purchased when prices are favourable to mitigate purchase requirement when prices are unfavourable.

The currency exposure of financial assets and financial liabilities of the Group that are not denominated in the functional currency of the respective companies are set out below. If the Ringgit Malaysia ("RM") had weakened or strengthened by 10% against the foreign currencies for which the financial instruments are denominated in, with all other variables remain unchanged, loss for the financial year would have been higher or lower by the following amounts:

	Foreign currency denominated in financial instruments		Impact of changes in exchange rate to profit and loss (net of tax)	
	Receivables RM'000	Payables RM'000	RM weaken by 10%	RM strengthen by 10%
2020				
US Dollar	2,775	(1,742)	(103)	103
2019				
US Dollar	-	(9,557)	(726)	726

Foreign currency risk for the Group which have a functional currency other than US Dollar are not material and hence, sensitivity analysis is not presented. No sensitivity analysis is performed for Company level as it has no balance denominated in foreign currency.

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

- (a) Market risks (continued)
- (ii) Cash flow and fair value interest rate risk

The Group's and Company's interest rate risk arises from its interest bearing financial instruments that could impact fair value and future cash flows due to fluctuations in market interest rates. The Group's policy is to maintain appropriate level of borrowings in fixed and floating rate instruments to ensure that some level of predictability in cash flows are preserved while ensuring that the Group and Company maintain its cost of debt and gearing ratio at healthy levels within the limits of any covenants.

Exposure to interest rate risk

The interest rate profile of the Group's and Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the financial year were:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
<u>Fixed rate instruments</u>				
Financial assets:				
- Deposits, cash and bank balances	303,783	257,144	125,717	47,799
Financial liabilities:				
- Borrowings	13,402	4,688	-	-
- Intercompany loans payable	-	-	197,875	254,120
<u>Floating rate instruments</u>				
Financial liabilities:				
- Borrowings	112,083	-	112,083	-

The financial assets are not sensitive to interest rate changes. A 5.0% change in the interest rates of the financial liabilities with floating interest rates at the end of the financial year would have affected the Group's and Company's profit or loss and equity by RM0.2 million (2019: Nil). This analysis assumes that all other variables, in particular foreign currency rates remained constant.

- (iii) Price risk

The Group is exposed to equity securities price risk because of investments held by the Group classified on the consolidated statement of financial position as FVOCI. No financial instruments or derivatives have been employed to hedge this risk as the risk is deemed to be insignificant. The Group is not exposed to commodity price risk.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk

Credit risk arises from deposits with banks and financial institutions, contract assets, financial assets carried at AC and FVOCI.

Trade receivables and contract assets

Credit risk for trade receivables and contract assets is managed by each entity who is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. The exposure to credit risk is monitored on an ongoing basis.

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statement of financial position. The Group holds bank guarantees and deposits placed by customers as collateral to reduce its credit risk.

The Group has no significant concentration of credit risk as it trades with a large number of customers who are nationally and internationally dispersed. Due to these factors, the Group believes that no additional credit risk beyond amounts allowed for collection losses is inherent in the Group's trade receivables.

The Group applies MFRS 9 simplified approach to measure ECL which uses a lifetime expected loss allowance for all trade receivables and contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 1 year before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified Malaysian Consumer Price Index ("MACPI") and inflation as the most relevant factor, and accordingly, adjust the historical loss rates based on expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Trade receivables and contract assets (continued)

On that basis, the loss allowance was determined as follows for both trade receivables and contract assets:

Group	Gross RM'000	Individual impairment RM'000	Average expected loss rate %	Collective impairment RM'000	Net RM'000
2020					
Not past due	69,544	-	3%	1,891	67,653
Past due 1 to 3 months	88,720	-	4%	3,723	84,997
Past due 4 to 6 months	9,805	592	35%	2,881	6,332
Past due 7 to 12 months	12,217	3,913	86%	6,621	1,683
Past due more than 12 months	48,049	5,637	100%	42,412	-
	228,335	10,142		57,528	160,665
Trade receivables	228,335	10,142		57,528	160,665
Contract assets	12,857	-		-	12,857
	241,192	10,142		57,528	173,522
2019					
Not past due	79,426	-	2%	1,288	78,138
Past due 1 to 3 months	76,250	-	5%	3,522	72,728
Past due 4 to 6 months	9,274	-	20%	1,899	7,375
Past due 7 to 12 months	7,687	54	80%	6,068	1,565
Past due more than 12 months	74,150	22,702	100%	51,448	-
	246,787	22,756		64,225	159,806
Trade receivables	246,787	22,756		64,225	159,806
Contract assets	18,263	-		-	18,263
	265,050	22,756		64,225	178,069

Contract assets are expected to be recoverable within 30 days.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Trade receivables and contract assets (continued)

The closing allowances for trade receivables and contract assets reconcile to the opening loss allowances as follows:

Group	2020 RM'000	2019 RM'000
At the beginning of the financial year	86,981	88,271
Increase in loss allowance	33,332	9,330
Loss allowance reversed	(22,503)	(9,206)
Receivables written-off	(30,140)	(1,414)
At the end of the financial year	67,670	86,981

Other receivables and deposits

The Group and Company use the three stages approach for deposits and other receivables which reflect their credit risk and how the loss allowances are determined for each of those stages. The Group and Company determine the probability of default for these deposits and other receivables considering historical data and macroeconomic information (such as market interest rates). Refer to Note 2(w)(iv) for accounting policy on impairment on financial assets.

The following table contains an analysis of the credit risk exposure of other receivables for which an ECL allowance is recognised. The gross carrying other receivables disclosed below also represents the Group's and Company's maximum exposure to credit risk on these assets:

Group	ECL rate	Basis for recognition of ECL provision	Estimated gross carrying amount at default RM'000	Loss allowance RM'000	Carrying amount (net of ECL provision) RM'000
2020					
2019					
Performing	0%	12-month ECL	40,067	-	40,067
Non-performing	100%	Lifetime ECL	6,415	(6,415)	-
Total			46,482	(6,415)	40,067
2019					
Performing	0%	12-month ECL	52,616	-	52,616
Non-performing	100%	Lifetime ECL	12,954	(12,954)	-
Total			65,570	(12,954)	52,616

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Other receivables and deposits (continued)

	ECL rate	Basis for recognition of ECL provision	Estimated gross carrying amount at default	Carrying amount (net of ECL provision)				
				RM'000	RM'000			
<u>Company</u>								
2020								
Performing	0%	12-month ECL	2,406	-	2,406			
Non-performing	100%	Lifetime ECL	9	(9)	-			
Total			2,415	(9)	2,406			
2019								
Performing	0%	12-month ECL	7,020	-	7,020			
Non-performing	100%	Lifetime ECL	9	(9)	-			
Total			7,029	(9)	7,020			

The closing loss allowance for other receivables reconciles to the opening loss allowance as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
At the beginning of the financial year	12,954	13,687	9	9
Increase in loss allowance	14	529	-	-
Loss allowance reversed	-	(204)	-	-
Receivables written-off	(6,553)	(1,058)	-	-
At the end of the financial year	6,415	12,954	9	9

As at the end of the reporting period, the Group and Company did not recognise any allowance for impairment losses for deposits as the impact is immaterial.

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Amounts due from other related parties

The Group provides advertising and printing services to its related parties. As at the end of the financial year, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These balances are not secured by any collateral or supported by any other credit enhancements.

The Group uses the three stages approach for amounts due from related parties which reflect their credit risk and how the loss allowances are determined for each of those stages. The Group determines the probability of default for these amounts due from related parties individually using internal information available. Refer to Note 2(w)(iv) for accounting policy on impairment on financial assets.

The following table contains an analysis of the credit risk exposure of amounts due to related parties for which no ECL allowance is recognised. The gross carrying amount disclosed below also represents the Group's maximum exposure to credit risk on these assets:

Group	ECL rate	Basis for recognition of ECL provision	Estimated gross carrying amount at default	Loss allowance	Carrying amount (net of ECL provision)
2020					
Performing	0%	12-month ECL	3,293	-	3,293
2019					
Performing	0%	12-month ECL	2,760	-	2,760

Amounts due from subsidiaries

Amounts due from subsidiaries mainly comprise advances and payments of behalf. The Company monitors the results of the subsidiaries on an individual basis regularly. As at the end of the financial year, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

The Company use the three stages approach for amounts due from subsidiaries which reflect their credit risk and how the loss allowances are determined for each of those stages. The Company determines the probability of default for these amounts due from subsidiaries individually using internal information available. Refer to Note 2(w)(iv) for accounting policy on impairment on financial assets.

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Amounts due from subsidiaries (continued)

The following table contains an analysis of the credit risk exposure of amounts due from subsidiaries for which an ECL allowance is recognised. The gross carrying amount of amounts due from subsidiaries disclosed below also represents the Company's maximum exposure to credit risk on these assets:

Company	ECL rate	Basis for recognition of ECL provision	Estimated gross carrying amount at default	Loss allowance	Carrying amount (net of ECL provision)
			RM'000	RM'000	RM'000
2020					
Performing	0%	12-month ECL	5,931	-	5,931
Under performing	41%	Lifetime ECL	103,098	(42,723)	60,375
Non-performing	100%	Lifetime ECL	317	(317)	-
Total			109,346	(43,040)	66,306
2019					
Performing	0%	12-month ECL	32,804	-	32,804
Under performing	41%	Lifetime ECL	105,523	(42,742)	62,781
Non-performing	100%	Lifetime ECL	298	(298)	-
Total			138,625	(43,040)	95,585

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Amounts due from subsidiaries (continued)

The closing loss allowance for amounts due from subsidiaries reconciles to the opening loss allowance as follows:

Company	Under-performing RM'000	Non-performing RM'000	Total RM'000
2020			
At the beginning of the financial year	42,742	298	43,040
Increase in loss allowance	-	19	19
Loss allowance reversed	(19)	-	(19)
At the end of the financial year	42,723	317	43,040
2019			
At the beginning of the financial year	36,063	57	36,120
Increase in loss allowance	6,679	241	6,920
At the end of the financial year	42,742	298	43,040

Cash and cash equivalents

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amounts in the statement of financial position.

For banks and financial institutions, only independently rated parties with a minimum rating of "A" are accepted. The Group seeks to invest cash assets safely and profitably. The Group and Company consider the risk of material loss in the event of non-performance by a financial counterparty to be unlikely as these financial institutions have low credit risks. In addition, the Group and Company have no significant concentration of credit risk except that the majority of its deposits are placed with a major financial institution in Malaysia.

(c) Liquidity risk

The objectives of the Group and Company liquidity risk management policies is to ensure the Group and Company have enough cash to meet operational and financing needs as and when they fall due, availability of funding by keeping committed credit lines and meet external covenants compliance. The Group and Company monitor rolling forecasts of the Group's and Company's liquidity requirement.

The table below analyses the Group's and Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the statements of financial position date to the contractual maturity date. As the amounts included in the table are contractual undiscounted cash flows, these amount will not reconcile to the amounts disclosed on the statement of financial position for borrowings, debt instruments and trade and other payables.

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk (continued)

	Between			Total	Carrying amount
	Less than 1 year RM'000	1 – 5 years RM'000	More than 5 years RM'000		
Group					
2020					
Trade and other payables	362,376	-	-	362,376	362,376
Borrowings	45,902	84,500	-	130,402	125,485
	408,278	84,500	-	492,778	487,861

	Between				
	Less than 1 year RM'000	1 – 5 years RM'000	More than 5 years RM'000	Total	Carrying amount
2019					
Trade and other payables	448,050	-	-	448,050	448,050
Borrowings	4,688	-	-	4,688	4,688
	452,738	-	-	452,738	452,738

	Between				
	Less than 1 year RM'000	1 – 5 years RM'000	More than 5 years RM'000	Total	Carrying amount
Company					
2020					
Trade and other payables	15,004	-	-	15,004	15,004
Amounts due to subsidiaries	99,434	198,400	-	297,834	287,414
Borrowings	32,500	84,500	-	117,000	112,083
	146,938	282,900	-	429,838	414,501

	Between				
	Less than 1 year RM'000	1 – 5 years RM'000	More than 5 years RM'000	Total	Carrying amount
2019					
Trade and other payables	26,328	-	-	26,328	26,328
Amounts due to subsidiaries	161,689	204,000	-	365,689	365,683
	188,017	204,000	-	392,017	392,011

Notes to the Financial Statements

For the Financial Year Ended 31 December 2020

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Capital risk management

The Group's and Company's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

For the purposes of sustaining or changing the capital structure, the Group may adjust the amount of dividends paid to shareholders of the Company.

The Group and Company monitor capital on the basis of the gearing ratio. This ratio is calculated as debt divided by total equity. Debt is calculated as total borrowings and lease liabilities, including "current and non-current" as shown in the statement of financial position. Total equity is calculated as "equity" as shown in the statement of financial position.

The Group and Company are subject to certain externally imposed capital requirements in the form of loan covenants. The Group and Company monitor the gearing ratio and compliance with loan covenants based on the terms of the loan agreements. The Group and Company have complied with the capital requirements imposed by its lenders as at financial year end.

The gearing ratios as at 31 December are as follows:

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Total debts	310,566	252,169	113,432	1,959
Total equity	573,067	596,153	652,093	701,728
Gearing ratio	0.54	0.42	0.17	0.00

36 FAIR VALUE

(a) Fair value

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings approximate fair values due to the relatively short term nature of these financial instruments.

The fair values of long term financial liabilities categorised as level 2 in the fair value hierarchy, together with the carrying amounts shown in the statement of financial position, are as follows:

	2020		2019	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
<u>Group</u>				
Borrowings	79,583	79,656	-	-
<u>Company</u>				
Amounts due to subsidiaries	189,421	189,084	203,994	203,798
Borrowings	79,583	79,656	-	-

(b) Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Assets measured at fair value

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
				Group
<u>2020</u>				
Financial assets at FVOCI	-	688	-	688
<u>2019</u>				
Financial assets at FVOCI	-	688	-	688

Statement by Directors

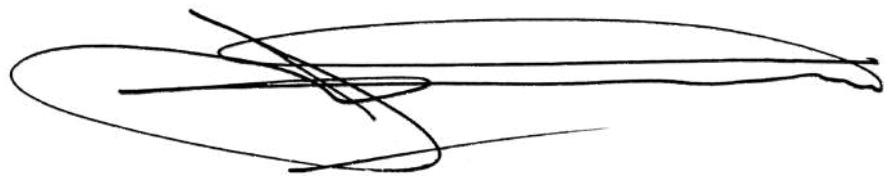
Pursuant to Section 251(2) of the Companies Act 2016

We, Datuk (Dr) Syed Hussain bin Syed Junid and Dato' Iskandar Mizal bin Mahmood, two of the Directors of Media Prima Berhad, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 132 to 231 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020 and financial performance of the Group and of the Company for the financial year ended 31 December 2020 in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016.

Signed on behalf of the Board of Directors in accordance with their resolution dated 11 March 2021.



DATUK (DR) SYED HUSSAIN BIN SYED JUNID
GROUP CHAIRMAN



DATO' ISKANDAR MIZAL BIN MAHMOOD
GROUP MANAGING DIRECTOR

Petaling Jaya

Statutory Declaration

Pursuant to Section 251(1) of the Companies Act 2016

I, Rosli bin Sabarudin, the Officer primarily responsible for the financial management of Media Prima Berhad, do solemnly and sincerely declare that the financial statements set out on pages 132 to 231 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.


ROSLI BIN SABARUDIN

Subscribed and solemnly declared by the abovenamed at Petaling Jaya, Malaysia on 11 March 2021, before me.



COMMISSIONER FOR OATHS

3 Damansara Shopping Mall
3, Jalan SS20/27
47400 Petaling Jaya
Selangor Darul Ehsan

Independent Auditors' Report To The Members of Media Prima Berhad

(Incorporated in Malaysia)
Registration No. : 200001030368 (532975-A)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Media Prima Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2020 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 132 to 231.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and of the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditors' Report To The Members of Media Prima Berhad (Continued)

(Incorporated in Malaysia)

(Company No. 200001030368 (532975-A))

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
<p><u>Impairment assessment on goodwill and intangible assets with indefinite life</u></p> <p>The Group has goodwill of RM183.1 million and intangible assets with indefinite life of RM176.2 million as at 31 December 2020.</p> <p>No impairment charge has been recorded by management against these balances in the current financial year because the recoverable amounts of the Cash Generating Unit ("CGU") prepared by management are higher than the carrying values.</p> <p>The recoverable amounts of the cash generating units were based on discounted future cash flows projections which require judgement on the part of management in valuing the relevant CGUs and significant estimates involved in deriving the recoverable amounts, in particular, revenue growth rate, growth rate for costs, terminal growth rate and contribution margin and hence, an area of focus for us.</p> <p>Refer to Note 2(e), Note 2(f) in the summary of significant accounting policies, Note 3(i) in the critical accounting estimates and judgements, and Note 18 to the financial statements.</p>	<p>We assessed management's impairment assessments and our procedures included the following:</p> <ul style="list-style-type: none"> Discussed and assessed the assumptions used by management in the discounted future cash flows projections, in particular, the average revenue growth rates and the terminal growth rates by comparing with business plans, historical results and market data; Assessed the reliability of management's forecast through the review of past trends of actual financial performances against previous forecasted results; Performed sensitivity analysis on discount rates to evaluate the impact on the impairment assessment; and Assessed the adequacy and reasonableness of the disclosures in the financial statements. <p>Based on our procedures, we noted no significant exceptions.</p>
<p><u>Impairment assessment on investment in subsidiaries</u></p> <p>Management performed impairment assessments of certain investments in subsidiaries, which had impairment indicators. As a result, impairment of RM44.4 million had been made in respect of Media Prima Berhad's investment in its subsidiaries as stated in Note 16 to the financial statements.</p> <p>This is an area of focus as the recoverable amount of the investments is determined based on discounted future cash flows projections, which require judgement on the part of management estimation of the future financial performance and key assumptions used, in particular revenue growth rate, growth rate for cost, contribution margin and the valuation of the land and buildings as terminal value.</p> <p>Refer to Note 2(b)(vi), Note 2(f) in the summary of significant accounting policies, Note 3(i) in the critical accounting estimates and judgements, and Note 16 to the financial statements.</p>	<p>We have assessed management's impairment assessments. Our procedures in relation to management's impairment assessment includes the following:</p> <ul style="list-style-type: none"> Discussed and assessed the assumptions used by management in the discounted future cash flows projections, in particular, the average revenue growth rate, growth rate for costs and contribution margin by comparing with business plans, historical results and market data; Assessed the reliability of management's forecast through the review of past trends of actual financial performances against previous forecasted results; Performed sensitivity analysis on discount rate to evaluate the impact on the impairment assessment; and Assessed the adequacy and reasonableness of the disclosures in the financial statements. <p>Based on our procedures, we noted no significant exceptions.</p>

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report, Statement on Risk Management and Internal Control, Audit Committee Report and the Risk Management Committee Report, which we obtained prior to the date of this auditors' report, and other sections of the 2020 Annual Report, which is expected to be made available to us after that date. Other information does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Independent Auditors' Report To The Members of Media Prima Berhad (Continued)

(Incorporated in Malaysia)

(Company No. 200001030368 (532975-A))

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PricewaterhouseCoopers PLT

PRICEWATERHOUSECOOPERS PLT

LLP0014401-LCA & AF 1146

Chartered Accountants



NURUL A'IN BINTI ABDUL LATIF

02910/02/2023 J

Chartered Accountant

Analysis of Shareholdings

As At 30 April 2021

Total Number of Issued Shares : 1,109,199,286
 Class of Share : Ordinary Shares
 No. of Shareholders : 22,737
 Voting Rights : One (1) vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

As At 30 April 2021

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Shares
1 - 99	5,058	22.25	189,902	0.02
100 - 1,000	8,413	37.00	4,022,551	0.36
1,001 - 10,000	6,973	30.67	26,015,836	2.35
10,001 - 100,000	1,917	8.43	61,346,923	5.53
100,001 to less than 5% of issued shares	373	1.64	355,930,333	32.09
5% and above of issued shares	3	0.01	661,693,741	59.66
Total	22,737	100.00	1,109,199,286	100.00

DIRECTORS' DIRECT AND DEEMED INTEREST IN THE COMPANY

As At 30 April 2021

No.	Name of Directors	No. of Shares	% of Issued Shares
1.	Datuk (Dr) Syed Hussain bin Syed Junid	5,015,295	0.45
2.	Dato' Iskandar Mizal bin Mahmood	-	-
3.	Mohd Rafiq bin Mat Razali	220,000	0.02
4.	Lydia Anne Abraham	-	-
5.	Raja Datuk Zaharaton binti Raja Zainal Abidin	-	-
6.	Mohd Rashid bin Mohd Yusof	-	-
7.	Abdullah bin Abu Samah	-	-
8.	Dato' Sivananthan A/L Shanmugam	-	-
Total		5,235,295	0.47

Analysis of Shareholdings

As At 30 April 2021

SUBSTANTIAL SHAREHOLDERS

As At 30 April 2021

No.	Name of Shareholders	No. of Shares	% of Issued Shares
1.	Aurora Mulia Sdn. Bhd.	353,815,941	31.90
2.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for JAG Capital Holdings Sdn. Bhd.	168,015,000	15.15
3.	HSBC Nominees (Asing) Sdn. Bhd. Morgan Stanley & Co. International PLC (Firm A/C)	139,862,800	12.61
Total		661,693,741	59.66

TOP 30 SECURITIES ACCOUNT HOLDERS

As At 30 April 2021

No.	Name of Shareholders	No. of Shares	% of Issued Shares
1.	Aurora Mulia Sdn. Bhd.	353,815,941	31.90
2.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account For JAG Capital Holdings Sdn Bhd	168,015,000	15.15
3.	HSBC Nominees (Asing) Sdn Bhd Morgan Stanley & Co. International PLC (Firm A/C)	139,862,800	12.61
4.	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account for JAG Private Equity Sdn Bhd (CTS-JPE0001C)	54,696,000	4.93
5.	Citigroup Nominees (Asing) Sdn Bhd GSCO LLC For Blackwell Partners LLC (Series A)	25,740,900	2.32
6.	Citigroup Nominees (Asing) Sdn Bhd Macquarie Bank Limited (Main)	19,880,000	1.79
7.	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT Fund NJ6R For Sagacia Fund LP	12,938,267	1.17
8.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	12,889,254	1.16
9.	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT Fund NJ4P For Dinard Fund LP	11,485,000	1.04
10.	Lee See Jin	9,665,400	0.87
11.	Chin Chin Seong	9,544,200	0.86
12.	Citigroup Nominees (Asing) Sdn Bhd UBS AG	7,598,481	0.69

No.	Name of Shareholders	No. of Shares	% of Issued Shares
13.	Public Nominees (Asing) Sdn Bhd Pledged Securities Account for Muhamad Aloysius Heng (M)	7,551,500	0.68
14.	Muhamad Aloysius Heng	6,748,800	0.61
15.	RHB Nominees (Tempatan) Sdn Bhd Telekom Malaysia Berhad	5,222,214	0.47
16.	Syed Hussian Bin Syed Junid	5,015,295	0.45
17.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Chan Shiann Gwo (E-TSA)	4,780,000	0.43
18.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Johnny Ting Kok Ling	4,740,000	0.43
19.	Chew Saw Bee	4,149,200	0.37
20.	Nur Aliyah Binti Abdullah	4,092,100	0.37
21.	DB (Malaysia) Nominee (Asing) Sdn Bhd SSBT Fund NJ6N For Diakrisis Fund LP	3,689,274	0.33
22.	HSBC Nominees (Asing) Sdn Bhd J.P Morgan Securities PLC	3,453,422	0.31
23.	Chin Chin Seong	3,430,800	0.31
24.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tee Kuang Yik (MY3963)	3,300,000	0.30
25.	Cartaban Nominees (Asing) Sdn Bhd Exempt AN for Barclays Capital Securities Ltd (SBL/PB)	3,199,400	0.29
26.	UOB Kay Hian Nominees (Asing) Sdn Bhd Exempt AN For UOB Kay Hian Pte Ltd (A/c Clients)	2,751,079	0.25
27.	Chan Hoe Hock	2,000,000	0.18
28.	Chehan Prasanna Richard Perera	2,000,000	0.18
29.	HSBC Nominees (Asing) Sdn Bhd HSBC-FS G For KBIZ Rehoboth Global Fund KZ-7	2,000,000	0.18
30.	Citigroup Nominees (Asing) Sdn Bhd Goldman Sachs International	1,919,500	0.17
Total		896,173,827	80.79

List of Top 10 Properties

No	Properties	Type	Tenure	Date of last valuation	Built-up area (Sq. ft.)	Land area (Sq. ft.)	Description	Age of building (years)	Net book value as at 31 Dec 2020 (RM'000)
1	Lot PLO T2 & T3, Kawasan Perindustrian Senai, 81400 Senai, Johor	Leasehold	60 years (Expiry: 2040)	2019	187,866	174,240	Former Regional Printing Plant	40	16,413
	Lot PL02, Kawasan Perindustrian Bebas, 81400 Senai, Johor	Leasehold	60 years (Expiry: 2043)			183,709		22	
2	Lot 322 & 323, Prai Industrial Estate, 13600 Seberang Prai, Pulau Pinang	Leasehold	60 years (Expiry: 2039)	2019	110,076	157,128	Former Regional Printing Plant	41	12,638
	Mukim 1, Kawasan Perusahaan Prai, 13600 Seberang Prai, Pulau Pinang	Leasehold	60 years (Expiry: 2035)			87,044		19	
3	Lot 33, Lebuh Sultan Mohamad 1, Jalan Lebuh 1, Kawasan Perindustrian Bandar Sultan Sulaiman, Pelabuhan Klang Utara, 42000 Klang, Selangor	Leasehold	99 years (Expiry: 2105)	2019	138,000	251,000	Warehouse	28	11,658
4	Lot 7 & 9, Jalan Jurubina U1/18, Seksyen U1, Hicom Glenmarie Park, 40150 Shah Alam, Selangor	Freehold	-	2019	81,970	80,062	Broadcasting Studio	24	10,359
5	33, Jalan Sultan Ahmad Shah, 10050 George Town, Pulau Pinang	Freehold	-	2019	12,951	13,771	Office Block	27	6,177
6	Lot 1024, KM13, Mukim Sri Rusa, Batu 8 3/4, Jalan Pantai Teluk Kemang, 71050 Port Dickson, Negeri Sembilan	Freehold	-	2019	35,122	64,304	Corporate Training Centre	28	3,845
7	Kawasan Perindustrian Ajil, 21800 Hulu Terengganu, Terengganu	Leasehold	60 years (Expiry: 2061)	2019	90,235	630,213	Former Regional Printing Plant	19	2,894
8	Flat 108, 4 Whitehall Court, London SW1A 2 EP, United Kingdom	Leasehold	99 years (Expiry: 2086)	2019	865	-	Residential Apartment	43	2,606
9	Lot 78, 79 & 80 Kompleks Alor Setar, 05100 Alor Setar, Kedah	Leasehold		2019	10,676	4,574	Office Block	37	1,099
10	No. 1107-U, Jalan Pejabat, 20200 Kuala Terengganu, Terengganu	Freehold	-	2019	4,749	1,636	Office Block	39	1,065

Corporate Information

BOARD OF DIRECTORS

Datuk (Dr) Syed Hussain bin Syed Junid

Group Chairman

Mohd Rafiq bin Mat Razali

Group Executive Director

Lydia Anne Abraham

Independent Non-Executive Director

Raja Datuk Zaharaton binti Raja Zainal Abidin

Senior Independent Non-Executive Director

Mohd Rashid bin Mohd Yusof

Independent Non-Executive Director

Abdullah bin Abu Samah

Independent Non-Executive Director

Dato' Sivananthan A/L Shanmugam

Independent Non-Executive Director

AUDIT COMMITTEE MEMBERS

Mohd Rashid bin Mohd Yusof

Chairman of the Committee /
Independent Non-Executive Director

Lydia Anne Abraham

Member of the Committee /
Independent Non-Executive Director

Abdullah bin Abu Samah

Member of the Committee /
Independent Non-Executive Director

AUDITORS

PricewaterhouseCoopers PLT

(LLP0014401-LCA & AF 1146)
Level 10, 1 Sentral, Jalan Rakyat,
Kuala Lumpur Sentral, P.O. Box 10192,
50706 Kuala Lumpur.

Tel : +603 – 2173 1188

Fax : +603 – 2173 1288

GROUP COMPANY SECRETARY

Jessica Tan Say Choon

(MAICSA 7057849)

SSM Practicing Certificate No. 202008003070

REGISTERED OFFICE

Media Prima Berhad

Registration No.: 200001030368 (532975-A)

Balai Berita, Anjung Riong,

No. 31, Jalan Riong, Bangsar,

59100 Kuala Lumpur.

Tel : 1300 300 672

Fax : +603 – 2282 0806

REGISTRAR

Boardroom Share Registrars Sdn Bhd

Registration No.: 199601006647 (378993-D)

11th Floor, Menara Symphony,

No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13,

46200 Petaling Jaya,

Selangor Darul Ehsan

Tel : +603 – 7890 4700

Fax : +603 – 7890 4670

Notice of 20th Annual General Meeting

MEDIA PRIMA BERHAD

Registration No. : 200001030368 (532975 A)

NOTICE IS HEREBY GIVEN that the Twentieth (20th) Annual General Meeting ("AGM") of **MEDIA PRIMA BERHAD** ("the Company") will be held on a fully virtual basis via remote participation and electronic voting on Wednesday, 23 June 2021 at 10.00 a.m. at the Theatrette, Ground Floor, Balai Berita, Anjung Riong, No. 31, Jalan Riong, Bangsar, 59100 Kuala Lumpur, Malaysia (the Broadcast Venue) for the transaction of the following business:-

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2020 and the Reports of the Directors and Auditors thereon.	Please refer to Explanatory Note 1
2. To re-elect the following Directors who retire in accordance with Article 20.8 of the Company's Constitution and being eligible, have offered themselves for re-election:-	
i. Mohd Rafiq bin Mat Razali	Resolution 1
ii. Abdullah bin Abu Samah	Resolution 2
iii. Dato' Sivananthan A/L Shanmugam	Resolution 3
3. To approve the payment of Directors' fees of RM424,836.10 for the financial year ended 31 December 2020.	Resolution 4
4. To approve the payment of Directors' benefits of up to RM1,400,000.00 for the period from 24 June 2021 until the next AGM of the Company.	Resolution 5
5. To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company and to authorise the Board of Directors to determine their remuneration.	Resolution 6

SPECIAL BUSINESS

To consider and if thought fit, to pass the following Resolutions, with or without modifications:-

ORDINARY RESOLUTIONS

6. Authority to Allot and Issue Shares

"THAT subject to Sections 75 and 76 of the Companies Act 2016 and approvals of the governmental and/or regulatory authorities, where such approval is necessary, the Directors be and are hereby given full authority to allot and issue shares in the Company, at any time, and upon such terms and conditions and for such purposes at the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being and that the Directors be and are hereby given full authority to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company".

Resolution 7

7. Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or trading nature

"THAT subject to the provisions of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiary companies (collectively "Media Prima Group") to renew the existing shareholders' mandate and to grant new shareholders' mandate for recurrent related party transactions ("RRPTs") of a revenue or trading nature with the related parties ("Proposed Shareholders' Mandate") as set out in Section 2.2 of the Circular to Shareholders dated 27 May 2021.

Resolution 8

THAT the Proposed Shareholders' Mandate is subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public;
- (b) disclosure is made in the Annual Report of the aggregate value of transactions conducted pursuant to the Proposed Shareholders' Mandate during the financial year where aggregate value is equal to or exceeds the applicable prescribed threshold under the MMLR and/or the relevant Practice Notes; and
- (c) annual renewal and such approval shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting is to be held pursuant to Section 30 of the Companies Act 2016 (but shall not extend to such extensions as may be allowed pursuant to Section 340 of the Companies Act 2016, whichever earlier).

AND THAT the Directors be and are hereby authorised to complete and execute all such acts and things (including such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

8. To transact any other business of which due notice has been given.

BY ORDER OF THE BOARD

TAN SAY CHOON (MAICSA 7057849)
SSM Practising Certificate No. 202008003070

Kuala Lumpur

27 May 2021

Notes:

1. In light of the COVID-19 outbreak and as part of the safety measures, the 20th AGM of the Company will be held on a fully virtual basis through live streaming and Remote Participation and Electronic Voting ("RPEV facilities") which are available at <https://web.lumiagm.com/>. Please follow the procedures provided in the Administrative Details for the 20th AGM in order to register, participate and vote remotely via the RPEV facilities.
2. The venue of the 20th AGM as stated in this Notice of AGM is the Broadcast Venue, strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue. No Shareholders/proxy(ies) from the public will be physically present at the Broadcast Venue.
3. Only members whose names appear in the Record of Depositors on 16 June 2021 ("General Meeting Record of Depositors") shall be entitled to participate in the 20th AGM.
4. A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
5. Where a member appoints two (2) proxies, the appointment shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified.
6. Where a member of the company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly appointed under a power of attorney. In the case of a corporation, it shall be executed under its Common Seal or signed by its attorney duly authorised in writing or by an officer on behalf of the corporation.
8. Duly completed Proxy Form must be deposited at Boardroom Share Registrars Sdn Bhd office at Ground Floor or 11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time set for holding the meeting or any adjournment thereof. Alternatively, the form of proxy can be deposited electronically through Boardroom Smart Investor Online Portal at <https://boardroomlimited.my/> before the proxy form lodgement cut-off time as mentioned above. Please follow the procedures provided in the Administrative Details for the 20th AGM in order to register, participate and vote.

Notice of 20th Annual General Meeting

MEDIA PRIMA BERHAD

Registration No. : 200001030368 (532975 A)

Explanatory Notes:-

1. Audited Financial Statements for financial year ended 31 December 2020

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only. They do not require shareholders' approval and hence, will not be put for voting.

2. Re-election of Directors pursuant to the Company's Constitution

Mohd Rafiq bin Mat Razali, Abdullah bin Abu Samah and Dato' Sivananthan A/L Shanmugam who retire pursuant to Article 20.8 of the Company's Constitution, have offered themselves for re-election at the 20th AGM.

Lydia Anne Abraham and Mohd Rashid bin Mohd Yusof who retire pursuant to Article 20.3 of the Company's Constitution have indicated to the Company that they would not be seeking re-election at the 20th AGM. Hence, Lydia Anne Abraham and Mohd Rashid bin Mohd Yusof shall retire as Directors at the conclusion of the 20th AGM.

3. Resolution 4 : Directors' Fees

The fees for the Directors as set out below has been implemented since Financial Year ("FY") 2010 and the Board had agreed that the Directors' Fees in respect of FY 2020 be maintained as follows :-

Non-Executive Group Chairman	RM75,000 per annum
Non-Executive Director ("NED")	RM60,000 per annum

The payment of the Directors Fees in respect of the FY 2020 will only be made if the proposed Resolution 4 has been approved at the 20th AGM of the Company.

4. Resolution 5 : Payment of Directors' benefits

The payment of Directors' benefits comprise the meeting allowance and other emoluments and benefits to the Directors such as insurance and medical and other claimable benefits including reimbursable expenses incurred in the course of carrying out their duties as Company Directors.

The total amount of benefits payable to the Directors is estimated to be up to RM1,400,000.00 (from 24 June 2021 to the next AGM in 2022), taking into account various factors which include amongst others, the number of scheduled board meetings and board committee meetings as well as the number of Directors involved in these meetings.

The payment of the benefits to the Directors will be made on a monthly basis and/or as and when incurred if the proposed Resolution 5 has been passed at the 20th AGM. The Board is of the view that it is fair and equitable for the Directors to be paid the Directors' remuneration (excluding Director's fees) on a monthly basis and / or as and when incurred, given that they have duly discharged their responsibilities and provided their services to the Company and the Group throughout the said period.

5. Resolution 6 : Re-appointment of Auditors

Based on the External Auditors Evaluation result for the Financial Year under review, the Board Audit Committee and Board are satisfied with the quality of service, adequacy of resources provided, communication, independence, objectivity and professionalism demonstrated by the External Auditors, Messrs PricewaterhouseCoopers PLT ("PwC"), in carrying out their duties. Being satisfied with PwC's performance, the Board recommends their re-appointment for shareholders' approval at the forthcoming AGM.

6. Resolution 7 : Authority to Directors to Allot and Issue Shares

The proposed resolution is a general mandate from the shareholders of the Company in accordance with Section 75 and 76 of the Companies Act 2016 for Directors to allot and issue new shares in the Company of up to an amount not exceeding 10% of the total number of issued shares of the Company for the time being for such purposes as the Company may deem fit in the best interest of the Company including for any possible fund raising for the Company's working capital requirements and strategic investments.

The Resolution, if approved, will give the Company and its Directors the mandate and flexibility to allot and issue shares in the Company for possible fund raising initiatives without the need to seek shareholders' approval via a general meeting subsequent to this 20th AGM, which may delay the capital raising initiatives and incur relevant cost in organising the general meeting.

6. Resolution 8 : Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or trading nature ("Proposed Shareholders' Mandate")

The Proposed Shareholders' Mandate, if passed, will enable the Media Prima Group to enter into RRPTs of a revenue or trading nature, which are necessary for the day-to-day operations of the Media Prima Group, undertaken in the ordinary course of business and at arm's length basis and on normal commercial terms which are not more favorable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

Details of the Proposed Shareholders' Mandate are set out in the Circular to Shareholders dated 27 May 2021. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

7. Personal Data Privacy Notice:

By registering for the remote participation and electronic voting or submitting an instrument appointing a proxy(ies), attorney(s) and/or representative(s) to attend, participate and vote at the 20th AGM and/or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxy(ies), attorney(s) and/or representative(s) appointed for the 20th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 20th AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"),
- (ii) warrants that where the member discloses the personal data of the member's proxy(ies), attorney(s) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies), attorney(s) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies), attorney(s) and/or representative(s) for the Purposes, and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Statement Accompanying Notice of Annual General Meeting

Directors who are standing for re-election at the Twentieth (20th) Annual General Meeting of Media Prima Berhad are: -

- (i) Mohd Rafiq bin Mat Razali (Resolution 1)
- (ii) Abdullah bin Abu Samah (Resolution 2)
- (iii) Dato' Sivananthan A/L Shanmugam (Resolution 3)

The details of the above Directors who are seeking re-election are set out in the "Board of Directors Profiles" which appear from pages 76 to 85 of the Annual Report.

The details of Directors' interests in the securities of the Company are set out in the "Directors' Direct and Deemed Interest in the Company" which appear on page 237 of the Annual Report.

Financial Calendar

ANNOUNCEMENT OF CONSOLIDATED RESULTS

21

May 2020

Announcement of the unaudited consolidated results for the 1st quarter ended 31 March 2020.

27

August 2020

Announcement of the unaudited consolidated results for the 2nd quarter ended 30 June 2020.

18

November 2020

Announcement of the unaudited consolidated results for the 3rd quarter ended 30 September 2020.

25

February 2021

Announcement of the unaudited consolidated results for the 4th quarter ended 31 December 2020.

ANNUAL GENERAL MEETING

27

May 2021

Notice of Annual General Meeting.

23

June 2021

20th Annual General Meeting.

Group Directory

MEDIA PRIMA BERHAD

Balai Berita Bangsar
31, Jalan Riong, Bangsar
59100 Kuala Lumpur
Tel : 1 300 300 672
Fax : +603 2283 0353
Email : communications@mediaprima.com.my
Website : www.mediaprima.com.my

RIPPLE (SYNCHROSOUND STUDIO SDN BHD)

PH, North Wing, Sri Pentas,
Persiaran Bandar Utama,
47800 Petaling Jaya,
Selangor Darul Ehsan, Malaysia
Office : +603 7710 5022
Fax : +603 7710 7098
Website : www.ripplemedia.com.my

MEDIA PRIMA OMNIA SDN BHD

Balai Berita Bangsar
31, Jalan Riong, Bangsar
59100 Kuala Lumpur
Website : www.mediaprimaomnia.my

BIG TREE OUTDOOR SDN BHD

2nd Floor, Balai Berita, Anjung Riong
31, Jalan Riong, Bangsar
59100 Kuala Lumpur
Tel : +603 7729 3889
Fax : +603 7729 3999
Website : www.bigtree.com.my

TV3 (SISTEM TELEVISYEN MALAYSIA BERHAD)

Sri Pentas, No 3, Persiaran Bandar Utama
Bandar Utama, 47800 Petaling
Selangor Darul Ehsan
Tel : +603 7726 6333
Website : www.tv3.com.my

PRIMEWORKS STUDIOS SDN BHD

Sri Pentas, 1st Floor, North Wing
No.3, Persiaran Bandar Utama
Bandar Utama, 47800 Petaling
Selangor Darul Ehsan
Tel : +603 7621 3020
Fax : +603 7727 1799
Website : www.primeworks.com.my

TV9 (CH-9 MEDIA SDN BHD)

Sri Pentas, No 3, Persiaran Bandar Utama
Bandar Utama, 47800 Petaling
Selangor Darul Ehsan
Tel : +603 7726 6333
Website : www.tv9.com.my

REV MEDIA GROUP SDN BHD

(Formerly known as REV Asia Holdings Sdn Bhd),
a subsidiary of Media Prima Digital Sdn Bhd
3rd Floor, North Wing, Sri Pentas
No.3, Persiaran Bandar Utama
Bandar Utama, 47800 Petaling
Selangor Darul Ehsan
Tel : +603 7621 3333
Fax : +603 7710 3876
Website : www.revmedia.my

8TV (METROPOLITAN TV SDN BHD)

Sri Pentas, No 3, Persiaran Bandar Utama
Bandar Utama, 47800 Petaling
Selangor Darul Ehsan
Tel : +603 7726 6333
Website : www.8tv.com.my

WOWSHOP SDN BHD

(Formerly known as MP CJ ENM SDN BHD)
Level 1, Balai Berita, Anjung Riong,
No. 31, Jalan Riong, 59100 Bangsar,
Kuala Lumpur, Malaysia
Hotline : 1-800-18-0808
Fax : +603 2280 0044
Website : www.wowshop.com.my

THE NEW STRAITS TIMES PRESS (M) BERHAD

Balai Berita, Anjung Liku
31 Jalan Riong, Bangsar
59100 Kuala Lumpur
Tel : 1 300 22 6787 (Local)
+603-20569499 (International)
Classifieds : 1 300 808 123
Fax : +603-2282 1428
Email : NSTPCorpComm@mediaprima.com.my
Website : www.nstp.com.my

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Proxy Form



Registration No : 200001030368 (532975-A)

CDS Account No	
Number of Ordinary Share(s) held	

I/We _____
(FULL NAME OF SHAREHOLDER AS PER NRIC / CERTIFICATE OF INCORPORATION IN CAPITAL LETTERS)

NRIC No. / Company No. _____ of _____
(FULL ADDRESS)

being a member of MEDIA PRIMA BERHAD hereby appoint:

First Proxy

Full Name of Proxy in capital letters		Proportion of shareholdings	
		Number of shares	Percentage (%)
NRIC Number			
Email address/ tel no.			

and/or failing him/her,

Second Proxy

Full Name of Proxy in capital letters		Proportion of shareholdings	
		Number of shares	Percentage (%)
NRIC Number			
Email address/ tel no.			

or failing him/her the Chairman of the Meeting as my/our proxy to attend and vote for me/us on my/our behalf at the Twentieth (20th) Annual General Meeting of the Company to be held at the Broadcast Venue at Theatrette, Ground Floor, Balai Berita, Anjung Riong, No. 31, Jalan Riong, Bangsar, 59100 Kuala Lumpur, Malaysia on Wednesday, 23 June 2021 at 10.00 a.m. and at any adjournment thereof, on the following resolutions referred to in the Notice of 20th AGM. My/our proxy is to vote as indicated below:-

Resolution No.	RESOLUTIONS	FOR	AGAINST
Resolution 1	To re-elect Mohd Rafiq bin Mat Razali as Director of the Company.		
Resolution 2	To re-elect Abdullah bin Abu Samah as Director of the Company.		
Resolution 3	To re-elect Dato' Sivananthan A/L Shanmugam as Director of the Company.		
Resolution 4	To approve the payment of Directors' fees of RM424,836.10 for the financial year ended 31 December 2020.		
Resolution 5	To approve the payment of Directors' benefits of up to RM1,400,000.00 for the period from 24 June 2021 until the next AGM of the Company.		
Resolution 6	To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company and to authorise the Directors to determine their remuneration.		
Resolution 7	To approve the proposed Authority to Allot and Issue Shares.		
Resolution 8	To approve the Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		

Please indicate with an "X" in the appropriate space how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on any resolution, the proxy shall vote as he thinks fit, or at his discretion, abstain from voting.

Dated this _____ day of _____ 2021

Signature of Member / Common Seal

Notes :

1. In light of the COVID-19 outbreak and as part of the safety measures, the 20th AGM of the Company will be conducted on a fully virtual basis through live webcast and Remote Participation and Electronic Voting Facilities ("RPEV facilities") which are available at <https://web.lumiagm.com/>. Please follow the procedures provided in the Administrative Details for the 20th AGM in order to register, participate and vote remotely via the RPEV facilities.
2. The venue of the 20th AGM as stated in this Notice of AGM is the Broadcast Venue, strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be at the main venue. No Shareholders/proxy(ies) from the public will be physically present at the Broadcast Venue.
3. Only members whose names appear in the Record of Depositors on 16 June 2021 ("General Meeting Record of Depositors") shall be eligible to attend in person or appoint proxies to attend and/or vote on their behalf at the AGM.
4. A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
5. Where a member appoints two (2) proxies, the appointment shall be invalid unless the proportion of the shareholdings to be represented by each proxy is specified.
6. Where a member of the company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
7. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly appointed under a power of attorney. In the case of a corporation, it shall be executed under its Common Seal or signed by its attorney duly authorised in writing or by an officer on behalf of the corporation.
8. Duly completed Proxy Form must be deposited at Boardroom Share Registrars Sdn Bhd at Ground Floor or 11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time set for holding the meeting or any adjournment thereof. Alternatively, the form of proxy can be deposited electronically through the Boardroom Smart Investor Portal at <https://boardroomlimited.my/> before the proxy form lodgement cut-off time as mentioned above. Please follow the procedures provided in the Administrative Details for the 20th AGM in order to register, participate and vote.

Personal Data Privacy Notice :

By submitting an instrument appointing a proxy(ies) and/or representative(s), the Member accepts and agrees to the personal data privacy terms set out in the Notice of 20th AGM dated 27 May 2021.

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STAMP

MEDIA PRIMA BERHAD

Registration No : 200001030368 (532975-A)

c/o The Registrar

Boardroom Share Registrars Sdn Bhd
Registration No. 199601006647 (378993-D)
11th Floor, Menara Symphony,
No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya,
Selangor Darul Ehsan

Please fold here to seal

www.mediaprima.com.my

MEDIA PRIMA BERHAD
Registration No. : 200001030368 (532975-A)

Balai Berita, Anjung Riong
31, Jalan Riong, Bangsar
59100 Kuala Lumpur, Malaysia